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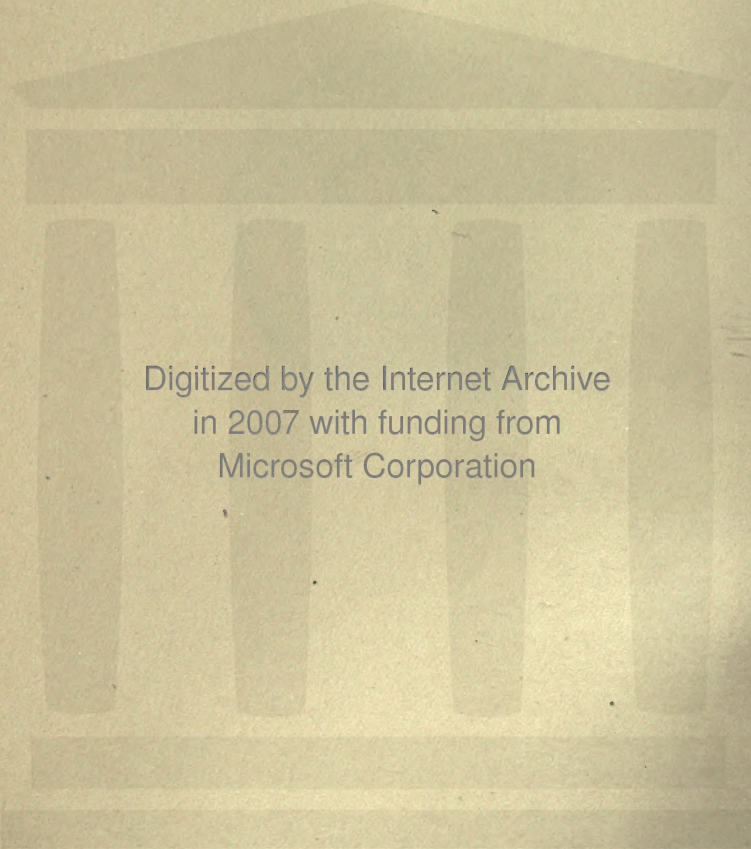
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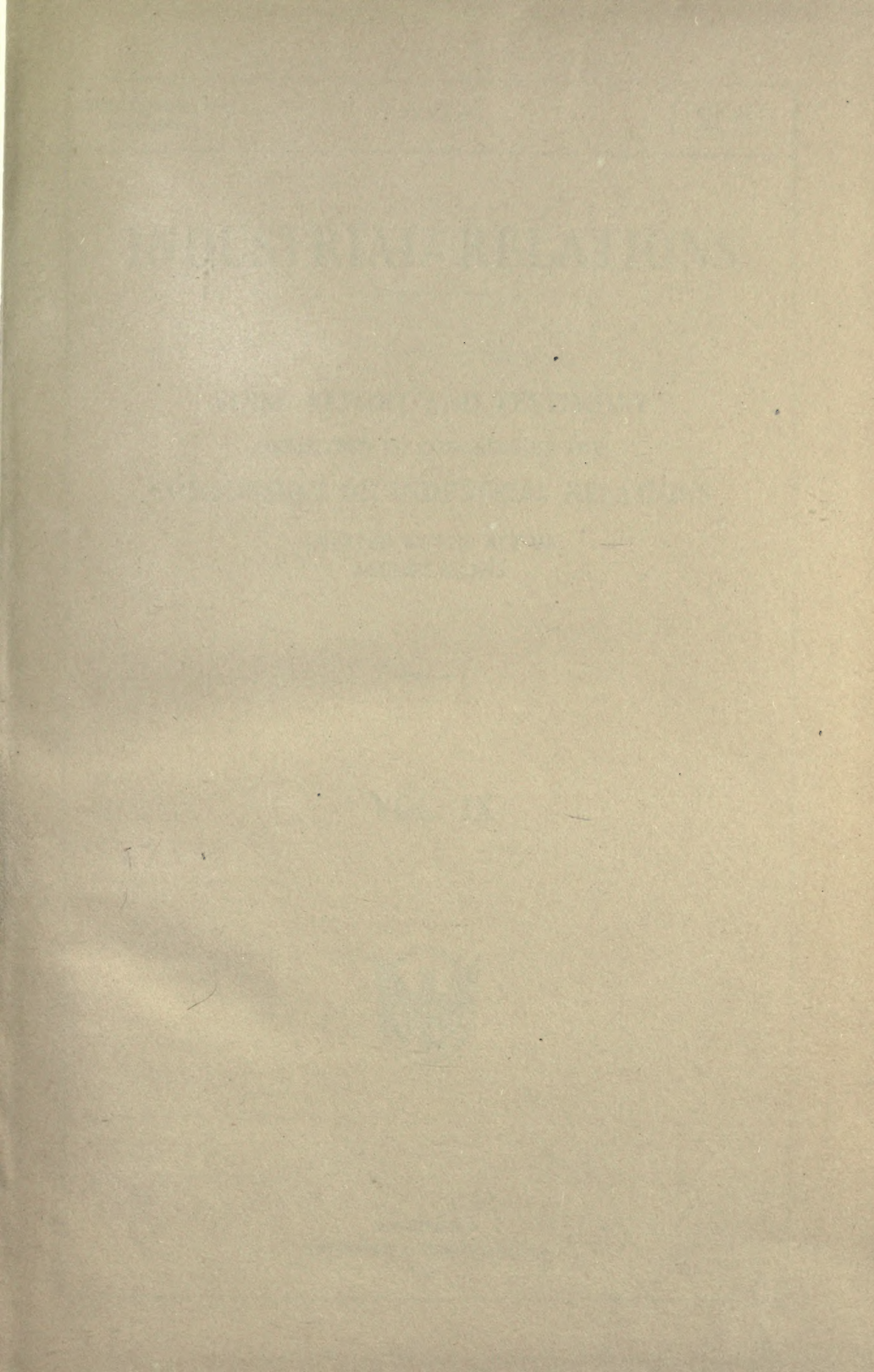






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# INDUSTRIAL RELATIONS

## FINAL REPORT AND TESTIMONY

SUBMITTED TO CONGRESS BY THE  
COMMISSION ON INDUSTRIAL RELATIONS

CREATED BY THE ACT OF  
AUGUST 23, 1912

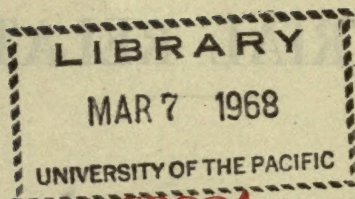
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VOL. IX





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(For exhibits under this subject, see pages 8378 to 8480)

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## COMMISSION ON INDUSTRIAL RELATIONS.

NEW YORK CITY, *January 30, 1915—10 a. m.*

Present: Chairman WALSH, Commissioners O'Connell, Lennon, Harriman, Ballard, Weinstock, Garretson, and Commons.

Chairman WALSH. The house will please be in order.

Mr. Lawson, you will please take the stand.

### TESTIMONY OF MR. JOHN R. LAWSON—Continued.

Chairman WALSH. What are the social conditions—the social life—of the miners in coal camps?

Mr. LAWSON. The social life of the miners in coal camps has been very little. Mr. Chairman, particularly in the closed camps, where the mine operators have what we may term absolutism, or have practiced it, and where despotism prevails, because of the fact that they own the—not only the mines, but all of the grounds, all of the buildings, and the places of recreation, as well as the schools and church buildings. I had not quite finished reading this matter that I was putting in the record last evening, about the accidents that occurred.

Chairman WALSH. Just finish where you left off last night.

Mr. LAWSON. I thought perhaps you might just as well get it in consecutively.

June 18: George Yohannovich, Montenegrin, miner; age, 35; married; 3 children; was killed by a fall of rock at the Royal mine, operated by the Royal Fuel Co., in Las Animas County.

November 17: Juan Vigil, Mexican; miner; age, 51; married; 9 children; was killed by a fall of rock at the Morley mine, operated by the Colorado Fuel & Iron Co., in Las Animas County.

November 27: John Garlic, Pole; miner; age, 36; married; 3 children; was injured by a premature shot at the Oakdale mine, operated by the Oakdale Coal Co., in Huerfano County; died at the Pueblo Hospital November 28.

December 16: Thirty-seven men were killed in a dust explosion at Vulcan mine, operated by the Coryell Mining Leasing Co., in Garfield County.

That makes a total of 81 men—a total of 81 children, rather, and 27 widows; 44 men. The question, Mr. Chairman, I want—or the point to which I want to draw the attention of the commission—is the number of widows and the number of fatherless children left because of those coal-mine disasters which have happened in our State; and I want to repeat that the fatalities in the State of Colorado are so much higher than any place else in the world—so much so that it shocks humanity.

As has been stated yesterday, we just take the deaths of the miners killed in the mines and the compensation paid to them, not including any of the injuries—they get a rate of \$305.40 apiece. What are those poor widows; what are those fatherless children going to do with that \$304 to start out in life? That is one of the things that I think ought to be considered; I think that is the human side that seems to get so little consideration from the operators of these great corporations.

I might go back just a little way and again draw your attention to the thing I mentioned yesterday when I said that a young man goes into a coal camp and seeks employment. Let us assume under all of the conditions I have recited that he gets employment, and he is compelled to remain there because he does not know where else to go. He has to keep his mouth shut against conditions, because if he does not do so he is going to be discharged. Let us assume that working under those bad and dangerous conditions that so many men have been compelled to work under—in fact, I have been compelled to



work under them myself, and that is the reason I speak about them as I do; this young man works there, and let us assume that he has been injured, quite badly by the way. He is surrounded, not by his friends, not by people who have taken an interest in him, but he is in this land owned by the corporation that owns the homes, that owns the boarding houses, that owns every single thing there is there.

Then he is taken to the company doctor, a man not chosen by him or by his fellowmen, but a man selected by the company and paid out of the money checked off from his wages by that despicable check-off system we hear so much about. This man, because of his lack of experience, because of his lack of knowledge in the medical profession, experiments on this young man; then finally he finds that he is not able to do anything for him and he sends him to the company hospital in Pueblo, where the man dies.

I want to say, Mr. Chairman, in connection with this matter, that so far as the company hospital is concerned, it has a good reputation in Colorado, and I do not want to say anything that reflects on it, but I want to call the attention of the commission to the fact that it is a company hospital. Now, this young man dies there; and who sits at the inquest over the remains of his dead body? I say it is a company coroner, a man with a selection of men who are friends of the company, and the reason I say that is this: In all of the years, so far as my knowledge goes that coal has been mined in the State of Colorado, only two verdicts that I can recall have ever been rendered not in favor of the coal companies. So, I say again that it is a company coroner.

They have a habit, a rather stereotyped affair in giving their verdicts, to say this or these men—this man or these men have committed suicide or were killed by their own carelessness; and let me just repeat a note that was made on one case in Colorado, of a young man that was killed to illustrate my point, that without a union and without a union card in his pocket as his credential he has no friends. This coroner in his note said: "No relatives and damn few friends." That, Mr. Chairman, is the reason I say that it is a company affair, and I do not know exactly, but perhaps after all the company has something to do with the cemetery the man is buried in. If the county is not able to furnish schools, if the county is not able to furnish churches, I am not sure but the company also furnishes the cemetery the poor fellow is buried in after all. But it does not matter so much about the men to me, they are not so important to me as the men who have families, the men who have family ties and leave those behind them, who leave a number of fatherless children with nothing to face the world with. Those are the things which I believe should receive the deep and earnest consideration of this commission in making their report.

Men often face danger because of the fact that they have a feeling that the property of the company even deserves all the protection they can give. I recited yesterday, in a brief way, one of the incidents that happened in a mine that was the property of the Colorado Fuel & Iron Co. in which I worked. I told how the mine took fire and the mine was filled with water, and in the meantime it exploded. I want to say, Mr. Chairman, that after that water was pumped out of the mine I went back into the mine with a number of other men to help clean up the mine and put it in condition to work; and while we were working in the mine word came that something had gone wrong. A man came running into the entry in which we were working, running quite out of breath and very much excited, and the thing I can remember best was that he called to me. He called my name. Everybody stopped working to inquire what was wrong. He did not get close to us, but just close enough to call out his message, and he said, "Jack, go in and tell the men to come out; go inside and tell the men to come out; tell every one of them to come out." The men he had reference to were working about a mile farther back in this entry. We knew that the mine was filled full of marsh gas. We knew that the men were back in there and that there were miles of entries so filled with this explosive mixture; the most dangerous thing, excepting the dust, that can be found in a mine anywhere. We had been informed just the day before by the fire boss, who told us he felt it was his duty to tell us that the mine had begun to develop fire, and that there was danger of the fire and the gas coming together.

It was necessary to go in 1 mile farther than where we were working and notify the men and see to it that every man was notified. To see that every man was notified that there was danger, and that they must at once leave the mine. I want to say that in doing this I don't want to leave the impression that it was any great act of courage on my part—it was an act of duty that a

coal miner has never yet failed, to my knowledge, in performing, Mr. Chairman. That is one of the things in a coal miner's life. They have never, to my knowledge, failed to do their duty, either in protecting life or limb or in assisting to preserve and protect the property of those they are working for. I mention that in passing, Mr. Chairman, just to illustrate what I said about the dangers to all of the people who toll in the mines.

Chairman WALSH. Going back to my first question, please, what has been the social life of miners in the camps and coal mines? I want you to as briefly as you can, but broadly, include all of that—that is, what their broad social life is, and so far as education and religion are concerned, and then what their social life is so far as having a good time is concerned—a little pleasure and amusement, and the like of that, if they have it.

Mr. LAWSON. The pleasure and amusement afforded men who work in the mines, particularly in the closed camps—I want to talk particularly about those, Mr. Chairman, because I think I can get at this more specifically and had mostly in what is commonly called and known as the company saloon in these camps. In these camps the men are not permitted even to meet in their fraternal orders; they are not permitted to have societies even of their choice, very often. They are watched over and guided over and spied on by company detectives and company gunmen marshals, and if they should get together in a manner that seems to be in the least, in the minds of the marshals, suspicious, or if they should talk about the matters with which they come in contact every day, or if they should discuss the grievances that they have, or if they should talk about the wrongs that exist and prevail in the camps, they know they are put out of the camp. They know they can not remain there and work. Even the company marshal has the power to drive them down the canyon, and he has done it many, many times.

As far as the church part is concerned, we have the testimony in the congressional hearing of Dr. Cook and Rev. Dr. McDonald. These testimonies speak for themselves. They demonstrate that there is no social life, so far as the church end of it is concerned. They say they don't interfere with it, but I say to you that they do interfere with it and with the preacher or the minister of the gospel who lives in one of those camps; he has got to do and say the things that the company boss and superintendent wants him to do and say. And the same thing prevails so far as the school-teachers are concerned. As far as my knowledge goes, there is very little, if any, effort on the part of the company to provide night schools and to educate men who work in and about the coal camps.

In that connection I want to simply state this: That to give an illustration between the nonunion camps, the closed camps, and the union camps, or where the organization operates.

In Colorado to-day, my colleagues and myself, with the assistance of President Friend, of the Colorado University, and a number of his professors, he has agreed to extend the extension work of the State university throughout the entire State of Colorado to give the miners an opportunity for a higher and better education. So they do not have an opportunity to have any social life to speak of. And they are compelled to go out of the camp probably on Saturdays or Sundays, if the mine is not working.

Chairman WALSH. What are the ordinary amusements? Do they have theaters or social gatherings of any kind or prize fights or anything?

Mr. LAWSON. They have an occasional dance. They have not theaters in their places of amusement that I can recall now. They have occasional dances, and once in a while there is a meeting, probably held by the church people. But so far as my knowledge goes I can not in my memory recall where they have any real place of amusement except in one place that has been mentioned to this commission. I happened to be in the camp when it was opened up first. Mr. Osgood, in Denver, drew your attention to the club they had formed in one of the C. F. I. camps when he was president of the Colorado Fuel & Iron Co. I do not remember if he said where it was or not, but that was at Coal Basin. Coal Basin is located about 10,000 feet above sea level and far away from any other town. It is not a large camp. It was not a large camp and does not exist now. But they started the club there. And I want to say when that club started it started on what I thought and what appeared to me as being a good basis. But I want to say it did not run very long on that basis. It was not very long until the club was practically worthless so far as the purpose it was intended to serve was concerned. That is the only one, Mr. Chairman, and the



only place I can now recall where there was anything gotten up, any place provided for social recreation for the men who work, I mean.

Chairman WALSH. Where were you during the strike of 1903 in the Colorado coal field?

Mr. LAWSON. I was in New Castle, Mr. Chairman, during that period. I might stop just a moment to draw your attention to one or two things that occurred in connection with that. In connection with that I would like to draw the attention of this commission to a statement made by Mr. Rockefeller, jr., before the congressional committee.

In 1903, as most of you know, there was a strike in the coal fields of Colorado. The men of the entire State struck. Just about that time the governor of Utah made the statement, if the press reports him correctly, something to this effect: That if the miners of his State should go on strike, every agitator and every man who went on strike would be driven out of the State. I think that statement was made either in the latter part of November or early part of December, and to show the significance that was attached apparently to that statement by some people, on the 17th day of December, 1903, the homes of five of the local leaders in New Castle, of which I happened to be one, were dynamited and blown up; and I want to say in connection with that, Mr. Chairman, that no one has ever been punished for the crime.

I want to state just as briefly as I can also in that connection—I don't know whether it has any connection or not, and I hope it has no connection—but I want to draw your attention to the fact that on the 6th day of April, 1914, Mr. Rockefeller made the statement that so far as his company was concerned they would not recognize the United Mine Workers of America; that they would rather lose all they had invested in the mines in Colorado, which meant in effect that it was a fight to a finish so far as they were concerned. On the 20th day of April, just two weeks to a day, Colorado had its Ludlow. I am sure, Mr. Chairman, I hope it had no connection, but I want to draw the attention of the commission to that. That is the point I want to make. I want to draw to the attention of this commission that men of such great power, these great captains of industry upon whose word hangs so much in the minds of especially the gunmen in the industry, that they should be extremely choice in their language and careful what kind of statements they make.

Chairman WALSH. You mentioned something about the use of scrip in the company's store. Has not that been discontinued by all the companies in Colorado—the use of scrip?

Mr. LAWSON. The use of scrip, Mr. Chairman, has been discontinued by most of the stores. I want to—

Chairman WALSH (interrupting). Is there a law in Colorado now forbidding the use of scrip?

Mr. LAWSON. Yes, Mr. Chairman.

Chairman WALSH. And it is being observed, isn't it?

Mr. LAWSON. There was a law passed abolishing the use of scrip and truck system in 1899 placed on the statutes of our State—15 years ago. January 1, 1913, the Colorado Fuel & Iron Co. posted notices that scrip should be abolished from among their camps.

Chairman WALSH. Well, had it been partially abolished previous to that time, or wholly abolished?

Mr. LAWSON. It may have been partially abolished, Mr. Chairman; I am not sure. But it was being used quite extensively up to that time, and I want to say in connection with the scrip, lest the commission may not fully understand, that a man who went to work in any of those mines, notwithstanding the fact that they had a company store operated by one of their subsidiary companies, of course—but I can not see the difference—a man must take scrip from the mine before he could get anything out of the store, unless he had the cash. But should a man go to the mine clerk, where he had to go first and get the scrip which he may have coming to him—let us assume he had \$20 worth of scrip coming—he went and drew the \$20 worth and went to the store and spent \$10 of that in groceries and merchandise and things of that kind that he might need. When he quit his job, if he quit then, he could not get that scrip cashed and get \$10 from the company which issued it to him, but he had to take it to perhaps the saloon keeper or the storekeeper or somebody else and give it to them at a 10 per cent discount.

Chairman WALSH. Mr. Lawson, you said something about "checkweighmen." Very briefly, I wish you would state what a checkweighman is. I am going to

ask you some other questions about it, and I know it is a long subject, but please state briefly—

Mr. LAWSON (interrupting). I shall be brief, Mr. Chairman—

Chairman WALSH (interrupting). I do not mean your testimony generally, but on that.

Mr. LAWSON. A checkweighman is a man selected and employed by the miners and paid by the miners out of their wages to check the weights of their coal, with the company weighman, a man whose duty it is to go on the tippie outside of the mine and watch the cars as they go over the scales and see that the coal is properly credited to each man in accordance with the true weights.

Chairman WALSH. Now, is there not a law in the State of Colorado requiring or permitting employees, at their option, to select their own checkweighman?

Mr. LAWSON. Yes, sir. In 1897 the checkweighman law was first adopted in Colorado. April 11, 1912, the Colorado Fuel & Iron Co. posted notices that the miners should have a checkweighman if they so desired. Now, I want to say in connection with that something just briefly. Mr. Chairman, something else. Some operators in testifying stated that the miners had a perfect right to have a checkweighman. If they wanted, they could have a checkweighman on any tippie. I happen to know that is not a true and correct statement. But there was one mine there pointed to in Colorado that had a checkweighman. That was the Starkville mine at Starkville, in Las Animas County, in the southern part of Colorado. That mine, when the strike came on—as I say, to show how much the checkweighman means to the men—when the strike came on that mine quit work and never was able to turn a wheel until the strike was settled, because every man went on strike there and remained on strike. The checkweighman without an organization to back him up is not strong enough to enforce the just demands of the men. He is of no value to the mine and the men realize that. They know it is not of any use to go and select a checkweighman in the manner that those men are being selected to-day in the State of Colorado to represent the miners of that State, for the simple reason that safe men will be selected and the operators will have a very large hand in the selection, to see that the coal is properly weighed from the operators' standpoint. That is the reason that the miners have no confidence in the statements that they can have checkweighmen without an organization.

Chairman WALSH. You stated that during the strike of 1903 your home was blown up. Just describe your home after the disaster.

Mr. LAWSON. Well, the entire side of the building, Mr. Chairman, was blown out or blown in, as the case may be. It happened most fortunately for my wife and baby, a little 3-year old daughter, at that time that we had moved what had originally been the bedroom away—or I might state Mrs. Lawson had. I did not have much to do with it. She insisted that we would not use what had originally been the bedroom, because it was too small for a bedroom, and we would use what had been the dining room. Now, the powder or explosives were put under the window of the bedroom, and had we been in that room I am satisfied I would not have been here to tell the story to you to-day and neither would my family be alive and as well as they are.

Chairman WALSH. Was your family in the house at the time?

Mr. LAWSON. Yes, sir; my family was in the house. In fact we were all in bed asleep when the first explosion took place, which my home was honored with, if I may use the term.

Chairman WALSH. What effort was made to apprehend the persons who had committed the crime?

Mr. LAWSON. There was not much of an effort, Mr. Chairman. At a mass meeting of the people of New Castle I was elected as a member of a committee to search out and see if we could locate the people who had committed the crime; and after quite some research—a detective also in the meantime had been employed—we gathered together enough evidence so that the district attorney, Mr. John C. Gentry by name, told me personally we had enough evidence at least to convict some of the men who were involved in the dynamiting. But they were not ever arrested, Mr. Chairman.

Chairman WALSH. Why not?

Mr. LAWSON. For the same reason that very, very few men, if any, have ever been arrested and tried, let alone convicted, who have committed any depredations against the miners who have been on strike in our State.

Chairman WALSH. Is it true, as published in the press, that you had an interview yesterday with Mr. John D. Rockefeller, jr.?



Mr. LAWSON. Yes, sir.

Chairman WALSH. I wish you would kindly state the substance of that interview.

Mr. LAWSON. Yesterday morning, I might state, Mr. Chairman, or rather to go back a little further, I was told several days ago that Mr. Rockefeller had sent an invitation for me to come to his office and meet him. I was unable to go, and yesterday I was informed on two occasions that Mr. Rockefeller desired to meet me, and he would remain in his office until 1 o'clock if I would go down and call on him. I believed it was a proper and right thing for me to do, to accept the invitation, and so Mr. Doyle and I went down to his office and met Mr. Rockefeller and Mr. Mackenzie King there, and we had an informal meeting. I want to say it was a very pleasant, agreeable conversation. We discussed several things. We discussed the Colorado situation in a very informal way. I informed Mr. Rockefeller that I did not think very much of the plan outlined in Colorado to bring about an adjustment of the grievances, and suggested that in my opinion the best way would be for him to arrange with himself and some of his officials a meeting with our international president, for instance, or some of our international officers, Mr. Hayes or Mr. Green, and have a conference with them, and if that was held I believed that a plan could be evolved that would bring peace to the coal-mining industry of Colorado. Outside of that there was not much else said concerning the Colorado situation except he asked me about my experience in coal mines, and we talked about those in a most informal way. I want to say that the meeting was friendly. I went there and met him as one American citizen meeting another. I did not go there as an official of the organization. I went there as a citizen, and met him as a citizen. That is about the extent of our visit.

Chairman WALSH. Commissioner Weinstock would like to ask you some questions.

Commissioner WEINSTOCK. Were you present yesterday when Dr. Eliot was testifying?

Mr. LAWSON. Yes, sir; I heard most of Dr. Eliot's testimony, but not all. I could not catch all that he said, Mr. Weinstock.

Commissioner WEINSTOCK. Let me read to you this from his testimony, and let me ask you in how far you agree with Dr. Eliot on these points:

"Question. In answering questions submitted by some of my fellow commissioners you stated among other things that you regarded it as unethical and unwise to elect or to reelect officers of the organization"—

Meaning the unions—

"convicted of crime. Do you know of any instances where that has been done, where unions have elected or reelected officers who have been convicted of crime?"

"Answer. 'No' is rather a strong word. I only have such knowledge as one gathers from the publications of the moment. Those publications have given me the impression that in regard to the dynamiting convictions the unions reelected men who had been convicted.

"Question. You have reference to the case of John Ryan, president of the structural-iron workers?"

"Answer. That is one of them.

"Question. Do you regard that as a mistake on the part of organized labor?"

"Answer. I regard it as something worse than a mistake.

"Question. How would you describe it?"

"Answer. As a serious moral offense against the community as a whole.

"Question. I gather also from what you said that you regard the greatest enemies of organized labor to be within the ranks of organized labor, rather than without the ranks of organized labor; and I infer from that—and if my inference is in error I would be glad to have you correct it—that you regard a unionist an enemy to labor if he becomes a lawbreaker in the so-called interest of unions?"

"Answer. I do."

Now, how far, Mr. Lawson, do you agree with Dr. Eliot in his attitude?

Mr. LAWSON. Let me answer in this fashion, Mr. Weinstock, that question, because of my knowledge and experience and observation that great corporations and great combinations of capital nowadays can take any man or any woman and convict them of any crime. And until the time comes when the laboring man has the same standing in court that the millionaire has I do not agree with Dr. Eliot. However, I do not know anything about the merits

of the case of the structural-iron workers. That is something I never studied carefully, and I want to make this statement: I have nothing in common—I have no interest and do not believe that a criminal of any kind ought to be fostered or encouraged. I do not care whether he is the humblest laborer or the greatest millionaire that ever put his foot in this country.

Commissioner WEINSTOCK. You believe that criminals ought to be punished whether they are within or without the ranks of labor?

Mr. LAWSON. I believe that all criminals ought to be punished; yes, sir. Society can not help but insist on their punishment.

Commissioner WEINSTOCK. What is your attitude, Mr. Lawson, in the matter of the observance of law—what is the citizen's duty, as you understand it, in dealing with what he considers a bad law. Should he take it upon himself to violate it because he thinks it is a bad law, or should he use his influence in educating others to aid him in having the law changed?

Mr. LAWSON. I think, Mr. Chairman, in answer to this question, that every man owes it to society to live up to and obey every law; and if the law is not a good law, to use his influence to have it taken from the books or have it amended. In that connection I want to draw your attention to one or two things here so that I can make my point clear.

In Colorado in 1885, nearly 30 years ago now, a mining law was adopted and placed upon the statute books of our State. So far as I can remember myself, no attention was paid to it by the men who operated the mines of our State. In 1891, 23 years ago, a mine-guard or deputy-sheriff law was placed upon the statutes of our State, and so far as I have ever been able to observe this law was ignored by the operators. As I stated a moment ago—no; rather in 1889, 25 years ago, a law was placed upon our statutes which granted the miners of that State, or men or women in any other industry, the right to belong to a labor organization, church, political party, or society, if they chose. In 1897—17 years ago—an antioercion act was passed in our State, also in connection with the right to join a labor union. This, or these, laws have never been lived up to by the corporations of our State. As I said, the check-weighman law was passed in 1897—17 years ago—but only since April 11, 1912, has it been lived up to by the operators. The scrip system, in 1899—15 years ago—and the C. F. & I. posted notices January 1, 1913, that they would now live up to this law. The eight hour a day law adopted in 1899—15 years ago—and the C. F. & I. posted notices March 1, 1913. Of course, in connection with the eight hour a day law we can say several things. The law was first declared unconstitutional by the Supreme Court, who said that the people of the State or the legislature ought to submit an amendment to the people to have it voted on, and when they did the people of the State of Colorado voted in favor of the miners having an eight-hour day by a majority of about 48,000.

Commissioner WEINSTOCK. And that was through the referendum?

Mr. LAWSON. Yes. Well, it was not through the referendum, because it was submitted to the people as an amendment to the constitution at that time. We did not have the referendum then. So the eight-hour day law has been in controversy ever since that time—15 years ago. Then we find that in 1911 the legislature adopted an eight-hour day law and the operators of our State, under the initiative and the referendum, submitted that law through petition back to the referendum of the people; and then they initiated a fake eight-hour law, and the people of the State, who were not able to understand or distinguish the difference but who were anxious that the miners should have an eight-hour day law in our State, voted and elected both—the original bill by something like 37,000 majority and what I term the fake eight-hour day law by something like 3,700 majority, with the result that the members of organized labor were compelled to go into the legislature and through that channel to the Supreme Court, who declared that the legislature could annul any initiated measure; and in that manner he was successful in getting through the present eight-hour day law, which, by the way, was the same that was submitted to the referendum and held up two years longer.

Commissioner WEINSTOCK. I take it, then, that you have the initiative in Colorado, and the referendum and the recall?

Mr. LAWSON. Yes, sir. If you will pardon me, I just want to make this one brief statement in connection with the eight hour a day law. We have here—on March 1, 1913, the C. F. & I. posted notices that they would accept the eight hour a day law and miners would work eight hours. Yes; we have those things.



Commissioner WEINSTOCK. Then, coming back to my question, your attitude is that the law should be observed whether it is a good law or a bad law; that if it is a bad law the remedy lies in educating the voters so that they will have the law changed or correct the law?

Mr. LAWSON. Yes, sir. I want also to give you the names of two other laws, while we are at it, so as to get that all in completely.

Commissioner WEINSTOCK. I am not interested particularly in the law. But I want to get at the principle and to find out what is your attitude that you take, which I take it is that you reflect the sentiment—your sentiment is the sentiment of your fellow unionists on that subject?

Mr. LAWSON. I think I reflect the sentiment of most of them.

Commissioner WEINSTOCK. And you know, doubtless, as the commission was made to know, one of the reasons offered by the operators in Colorado for refusing to deal with or recognize the United Mine Workers of America was the charge that they made against the United Mine Workers of America that they were lawbreakers?

Mr. LAWSON. Yes, sir; that is one of the charges they made.

Commissioner WEINSTOCK. Now, as proof of that—

Commissioner O'CONNELL. Just a minute, that they were what?

Mr. LAWSON. They were law violators.

Commissioner WEINSTOCK. The operators refused to deal with the United Mine Workers on the ground that they were lawbreakers?

Mr. LAWSON. I admit that was one of their charges.

Commissioner WEINSTOCK. And as one of the proofs that the United Mine Workers of America were lawbreakers this was offered in testimony at Denver. I am now reading from the Denver record of our hearings in Denver.

Mr. LAWSON. What page, please.

Commissioner WEINSTOCK. Page 2630.

Mr. LAWSON. I have that here [picking up bound volume].

Commissioner WEINSTOCK. Not the congressional hearing.

Mr. LAWSON. Oh, your hearing in Denver?

Commissioner WEINSTOCK. Yes; our hearing.

Mr. LAWSON. That is all right.

Commissioner WEINSTOCK. They said, and I want to call your attention to a pamphlet issued by the coal-mine managers, series 1 under title "Facts Concerning the Struggle in Colorado for Industrial Freedom." On page 12 of that pamphlet the following appears:

DENVER, COLO., April 22, 1914.

Organize the men in your community in companies of volunteers to protect the workers of Colorado against the murder and cremation of men, women, and children by armed assassins in the employ of coal corporations serving under the guise of State militiamen.

Gather together for defensive purposes all arms and ammunition legally available. Send name of leader of your company and actual number of men enlisted at once, by wire, phone, or mail, to W. T. Hickey, secretary of the State federation of labor.

Hold all companies subject to order.

People having arms to spare for these defensive measures are requested to furnish same to local companies, and where no companies exist send them to the State federation of labor.

The State is furnishing us no protection, and we must protect ourselves, our wives, and children from these murderous assassins. We seek no quarrel with the State, and we expect to break no law; we intend to exercise our lawful right as citizens to defend our homes and our constitutional rights.

John R. Lawson, international board member, district 14, U. M. W. A., also president State federation of labor; John McLennan, president district 15, U. M. W. A.; E. L. Doyle, secretary-treasurer district 15, U. M. W. A.; John Ramsay, national organizer, U. M. W. A.; W. T. Hickey, secretary State federation of labor; E. R. Hoage; T. W. Taylor; Clarence Moorehouse; Ernest Mills, secretary-treasurer, W. F. of M.

It was pointed out that that was a call to arms in violation of the State law; that the miners were defying the State authorities; that they were acting as rebels; and that they were doing unlawful things in an unlawful way.

Now, doubtless, there is some answer to that?

Mr. LAWSON. Yes, sir.

Commissioner WEINSTOCK. I am sure the commission will be glad to hear it.

Mr. LAWSON. In the first place I want to point out the thing I have always said, that the operators have used every subterfuge, have not failed to make statements that are not true concerning miners who were their former employees. And when they state that that is a violation of any law I want to deny the fact, and I want to ask the question, if you will permit it, Mr. Weinstock, to point out to me wherein that message is any violation of law of Colorado at all. I deny it is a violation of law in that message.

Commissioner WEINSTOCK. It seems to me, Mr. Lawson, if you put the question to me, any call to arms means war, and that there is only one power in the United States that has the right to declare war, and that is the Government itself. That is, if I organize men with arms to fight the State authorities, I am certainly not a law-abiding citizen. I am certainly a lawbreaker, in fact, I am a rebel.

Mr. LAWSON. Do you understand, Mr. Weinstock, in your statement in answer to my question that if you and I were neighbors—let us assume on a farm—and you called to me to come to your home and bring my gun, that your home was being invaded by outlaws, that your family was in danger of being exterminated, as well as yourself, would you be violating the law of the State?

Commissioner WEINSTOCK. I think if I issued a call, circulated all over the State, and called on everybody to arms I would be violating the law of the State.

Mr. LAWSON. What would be the difference, asking one man and asking every man?

Commissioner WEINSTOCK. I can stand in front of a house or a building without violating anything, but if I bring a thousand men to stand in front of that house or building I am.

Mr. LAWSON. What offense?

Commissioner WEINSTOCK. I am obstructing the sidewalk.

Mr. LAWSON. That is all.

Commissioner WEINSTOCK. And interfering with the rights of the public.

Mr. LAWSON. I grant that. But that is all. I simply state, Mr. Weinstock, and I want to state as quietly and as positively as I know how, that there is nothing in that call, so-called call to arms, that is in violation of our State law.

Commissioner WEINSTOCK. Mrs. Harriman asks me to allow her to ask a question.

Commissioner HARRIMAN. I want to know the date when the miners were armed, the strikers were armed—September 13, was it?

Mr. LAWSON. The date they say they were armed, Mrs. Harriman, according to that call, I think was the 23d day of April, or three days after Ludlow.

Commissioner WEINSTOCK. The 22d?

Mr. LAWSON. Twenty-second—I beg pardon.

Commissioner HARRIMAN. Two days after Ludlow?

Mr. LAWSON. Two days after Ludlow.

Commissioner HARRIMAN. When the deputy sheriffs who were appointed by Jeff Farr, the sheriff of Huerfano County?

Mr. LAWSON. Yes, ma'am.

Commissioner HARRIMAN. When he testified that they were armed?

Mr. LAWSON. Yes, sir.

Commissioner HARRIMAN. As soon as he appointed them?

Mr. LAWSON. Yes.

Commissioner HARRIMAN. What was the date?

Mr. LAWSON. September 1, if I recall.

Commissioner HARRIMAN. Before September 1, or September 1?

Mr. LAWSON. About September 1, 1914.

Commissioner HARRIMAN. 1914?

Mr. LAWSON. 1913 I mean to say.

Commissioner HARRIMAN. Ludlow was 1914—April, 1914?

Mr. LAWSON. Yes, ma'am.

Commissioner HARRIMAN. Do you know of any strikers being armed before those gunmen, deputy sheriffs, were armed by the C. F. & I. Co.?

Mr. LAWSON. No; I do not know of any, Mrs. Harriman, but if you will pardon me, because of the many indictments against hundreds of our people in the State of Colorado because of those disturbances, I will have to decline to go into the details of the things that have taken place. I happen to be one of the many individuals indicted on a number of charges, and if you will



excuse me, I will have to decline to go into the details as to the arming of men and things of that kind. I will be glad to answer any questions, however, that you may ask if I can that are outside of that particular zone.

Commissioner WEINSTOCK. I wanted to ask some questions in that connection, but under the circumstances, as you explain, that there are indictments out and it would embarrass you to make answer, I shall refrain from asking the question. There is one other point on which I would like to get your statement, Mr. Lawson. In the document that you read yesterday afternoon to the commission among other things, as nearly as I can recall the language, you made the statement and went on to say that you believed that the United Mine Workers of America were worthy to be recognized and dealt with because they always observed their contracts?

Mr. LAWSON. Yes, sir.

Commissioner WEINSTOCK. That they had not violated any of their agreements?

Mr. LAWSON. Yes; I made that statement—pardon me, or a statement similar to that.

Commissioner WEINSTOCK. That was the substance?

Mr. LAWSON. Yes; that was the gist of it.

Commissioner WEINSTOCK. Again quoting from the proceedings at the Denver hearing, I want to read this, which was offered in testimony by the operators, and ask the answer to it, if there is an answer.

I have here a clipping from the Coal Age, a publication issued somewhere in the East, under date of December 20, 1913, which contains—I will not read the whole thing, but will just take the heart out of it, and you can answer it. It is issued by the Association of Bituminous Coal Operators of Central Pennsylvania, 301 Betz Building, and addressed to Mr. Patrick Gilday, president district No. 2, U. M. W. A., Morrisvale mines, Pennsylvania, dated Philadelphia, December 12, 1913, and it says:

“DEAR SIR: The executive board of the Association of Bituminous Coal Operators of Central Pennsylvania held a meeting here to-day, approved and directed that the following communication be forwarded to you at once.”

And then it goes on through several whereases, and I will just deal with the one touching on broken contracts.

“Whereas rules 12 and 13 of said agreement provide ‘should differences arise between the operators and mine workers as to the meaning of the provisions of this agreement, or about matters not specifically mentioned in the agreement, there shall be no suspension of work on account of such differences, but an earnest effort be made to settle such differences immediately.’”

Then it goes on to say further:

“Whereas, notwithstanding the fact that rule No. 15 provides ‘the right to hire and discharge, the management of the mine, and the direction of the working forces’ are vested exclusively in the operator, and the United Mine Workers of America have absolutely disregarded this rule in that they have at numerous times served notices on substantially every operator belonging to our association that unless all of the employees working for such operators should become members of the union on or before certain dates mentioned in said notices that they, the mine workers, would close or shut down the operators’ respective mines, and in many instances did close the mines for this reason, and refused to return to work unless such nonunion employees were discharged. This conduct is in direct violation of your contract, and specifically interferes with and abridges the right of the operator to hire and discharge; of the management of the mine and of the direction of the working forces; this conduct in violation of contract on part of the mine workers, as well as that mentioned in the preceding paragraph, has resulted in more than 100 strikes during the life of our scale agreement; and

“Whereas, notwithstanding the fact that the operators appealed to you as president of the United Mine Workers of America of district No. 2 to enforce and carry out your contract, and your repeated admissions that the mine workers were not living up to their contract, but that you individually were doing all in your power to compel performance thereof, nevertheless it has been open and notorious that your subofficials, organizers, and like employees have been continuing this line of conduct down to the present date.”

Then it goes on to say:

“Be it resolved, therefore, That the operators enter a vigorous protest and demand of Patrick Gilday, president, and executive board of the mine workers of this district an immediate cessation of the conduct hereinbefore recited, and

that they strictly enforce on the part of the mine workers their covenants contained in said contract, and in event of the failure to cease such conduct within the next 10 days that the president and secretary of the operators' association shall call a special meeting of the members thereof for the purpose of considering the final dissolution of its association on the specific ground that it is useless to enter into contract obligations with a body that steadfastly refuses to fulfill the same and which no official apparently has power to enforce.

"Yours, truly,

"W. R. ROBERTS, *Secretary.*"

Will you tell us what you know about this case, Mr. Lawson?

MR. LAWSON. I would like to know if that is all that is contained in that, if you know what happened as a result of that?

Commissioner WEINSTOCK. No; we do not, and for that reason we invite your statement in that connection.

MR. LAWSON. I think, in the first place, Mr. Weinstock, the Coal Age is the official journal of the coal operators. This statement is published concerning district No. 2, a partially organized district. I do not know very much about the statement or the conditions that prevailed over in Pennsylvania, but I want to reiterate my statement, that if that condition prevailed and was taken up with the international executive board of the United Mine Workers, those men, if they were under contract and had violated the contract, would either have returned to work or gotten out of the organization.

Commissioner WEINSTOCK. You note the claim is made here that there were a hundred strikes in violation of the contract.

MR. LAWSON. Yes; I have heard that claimed so many times all over the country that it is familiar to me.

Commissioner WEINSTOCK. Is it a fact?

MR. LAWSON. It is not a fact.

Commissioner WEINSTOCK. How many strikes did take place in violation of the contract?

MR. LAWSON. There might have been—and I will be as fair as I can in this matter. Let me admit that there may have been here and there in this country a local strike, wherein some members of a local union who were not perhaps good union men succeeded in misguiding members of that particular local. Those very few instances have been charged up against the United Mine Workers of America as a violation of contract, when, as a fact, in nearly every instance I can recall that has ever come before the international executive board—and I have been a member of that board since 1905—the matter has been taken up, and the men have either gone back to work and stayed at work under the contract or the charter has been taken away from them and they have been put out of the union.

Commissioner WEINSTOCK. You notice that in this connection Mr. Gilday, the president of the district, is quoted as saying that he had not been able to enforce the law, but that he was doing the best he could—that up to that time he had failed to enforce it. Now, I gather from what you said—he says here:

*"Be it resolved, therefore, That the operators enter a vigorous protest and demand of Patrick Gilday, president, and the executive board of the mine workers of this district, an immediate cessation of the conduct hereinbefore recited, and that they strictly enforce on the part of the mine workers their covenants contained in said contract."*

And before that it said:

*"Notwithstanding the fact that the operators appealed to you as president of the United Mine Workers of America of district No. 2, to enforce and carry out your contracts and your repeated admissions that the mine workers were not living up to their contract, but that you individually were doing all in your power to compel performance thereof, nevertheless it has been open and notorious that your subofficials, organizers, and like employees have been continuing this line of conduct down to the present date."*

Now, seemingly the officials there were utterly unable to carry out their part of the agreement. There is nothing to indicate to us that these men were disciplined or that the charter was taken away, or that they were ordered to go back to work, unless you had testimony to that effect.

MR. LAWSON. In the first place, I wanted to again call your attention to the fact that the Coal Age is one of the official journals of the operators.

Commissioner WEINSTOCK. The Coal Age is not saying this; this is a resolution passed by the operators.

MR. LAWSON. That is the same thing, so far as I am concerned.



Commissioner WEINSTOCK. The Coal Age simply published it.

Mr. LAWSON. The operators are making the contention there that these things are taking place, and until I could know all of the facts and what action was taken by Mr. Gilday or by the international executive board, I would not be in a position to answer that question as you would desire to have it answered, but I am not willing to take the operators' statements that the miners of any State have violated the law without having more full information.

Commissioner WEINSTOCK. You do not know, then, what action was taken by Mr. Gilday?

Mr. LAWSON. No.

Commissioner WEINSTOCK. Your answer, then, is that you can not state more specifically because you are not familiar with the facts?

Mr. LAWSON. As I stated in the first place, in every case that has ever been brought before the district organization—those men—if there have been any violations, and I do not pretend to say that the coal miners' union is so perfect yet that every man in the organization is trying to do everything he can to keep the contracts, any more than the operators do, but I have found a good many dozens of operators in my experience who had no regard whatever for a contract, Mr. Weinstock.

But until we know what action Mr. Gilday has taken, and until we know what action—in the event he failed in his duties—the international board has taken, it is not possible to get at the facts in the case and give an intelligent answer to your question.

Commissioner WEINSTOCK. I think it is material for the commission to know what the facts are in this case, otherwise the charge that the coal miners were guilty of contract breaking would stand uncontradicted, and I think, in the interests of the United Mine Workers of America, Mr. Lawson, you should get the facts and transmit them to us for our records.

Mr. LAWSON. I will try and get them, Mr. Weinstock.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. Commissioner Lennon wishes to ask some questions.

Commissioner LENNON. Mr. Lawson, have you any idea as to the number of mines being operated in the central district of Pennsylvania?

Mr. LAWSON. No; I have not; I can not say how many, but I know there are a great many.

Commissioner LENNON. Do you think it would be an exaggeration to say there were over 1,000?

Mr. LAWSON. No; I do not think it would; I am satisfied there are a great many more than that, but I have not got the exact number.

Commissioner LENNON. Now, contracts are agreements entered into between the United Mine Workers, as an organization, and the operators' organization, are they not?

Mr. LAWSON. Yes, sir.

Commissioner LENNON. If there were violations of the contract or of the terms that are embodied in the contract by individual miners or by a bunch of miners who are on the shift in a mine, would that be a violation of the contract by the United Mine Workers?

Mr. LAWSON. It would not, but it has been so considered by the operators, and that is the way they get these many violations, Mr. Lennon.

Commissioner LENNON. Do you know anything of the alleged violation of contract which took place in the Danville district of Illinois two or three years ago, and the subsequent action of the miners of Illinois in that case?

Mr. LAWSON. I can not recall the details of it.

Commissioner LENNON. Never mind then.

Mr. LAWSON. I remember something about it, but I can not recall the details.

Commissioner LENNON. Do you know as a member of the executive board of the United Mine Workers of any incident where individual miners have broken contracts or the terms of a contract and it had been brought to the attention of the general executive officers where they have not undertaken to the utmost of their ability to see that the individual members complied with the agreement?

Mr. LAWSON. Yes; there have been a number of cases of that kind that have happened in our organization. It had some, I think—one or two in the Southwest; I think there have been one or two in Illinois, and I think perhaps one or two in Pennsylvania of that kind. I went once myself to a local union in our district where the operators claimed a violation of contract and I found a number of grievances there; I think seven grievances the miners claimed,

and the men had gone so far that they quit. The operators complained of it, and the president of the district requested me to go with him to the local union and see if we could not get the matter straightened out. I went to the local meeting with him and learned that the men had quit their places because they claimed they were justified in so doing. They claimed that the pit boss and the superintendent had been so arbitrary and had violated the terms of the contract themselves to a point where they could not stand it any longer, and they finally quit the mine. I took a copy of the agreement out of my pocket and I took a copy of our international constitution out of my pocket and read both of them, or parts of both of them, and I said, "Why, it does not make any difference whether the operators have violated the contract or not; the fact remains that you yourselves have not taken your grievances through the proper channel. Now," I said, "I want you to pass a motion in this meeting to wipe out the motion passed already calling the strike, to have it rescinded, and when you pass that motion I want you to pass another motion putting those men back to work." They passed both motions as I asked them to do, and asked me if I would go with them or with the president of the district to the mine the next day to take up their grievances, and I told them I would. I told them in talking to them about this matter, "You have violated this contract and the international organization will not stand for it, and if you do not go back to work to-morrow morning, as an international officer I will take your charter off of the wall myself."

The next morning we went to the mine; we went to the pit boss and the superintendent. There was a good deal of feeling there amongst those two sides. I listened to them a little while and got them all out of the room, everyone except the pit boss, the superintendent, and the president of the district, and asked them what the trouble was. I said to them, "Although the men are wrong they insist on an adjustment of their grievances, but they will go back to work at once because they have agreed to do that. Now, let us find out how far the grievances claimed by the men are right." We went over them one by one, and they admitted to me that every one of the seven grievances—that in every one of the seven grievances the men were correct in making their complaint, and they adjusted them and they got the men back to work, and they never had any more trouble. That is the way the organization does business concerning those matters.

Commissioner LENNON. If the individual operators in any State where you have collective bargaining with regard to contracts fails to live up to the terms of the contract, do you then charge the operators as an organization with having violated the contract?

Mr. LAWSON. Positively not. The miners do not charge up to the operators, or the operators' association, any violation of contract because of the fact that one individual operator, or in fact a group of operators, has violated the contract.

Commissioner LENNON. Now, I want you to make clear, and this is the first time I have ever indicated by any premise how I wanted a question answered. There have been a number of witnesses who have testified as to what collective bargaining consists of; quite a number of them have indicated that it is an attempt on the part of the unions to secure a controlling voice, or at least a potent voice, in the financial management of the companies, in the business management of the corporation or individual employer; that it goes into all of the ramifications of the business of the employer. I want you to tell us what collective bargaining is as understood by the United Mine Workers and as applied by them; just what it covers, and whether it does cover at all any of these things that I have mentioned which have been testified to, directly in some instances and indirectly in some others.

Mr. LAWSON. Collective bargaining by the United Mine Workers of America is the negotiating and the reaching of a written agreement between the miners and the operators, the terms of which are specified in the agreement.

The miners have always conceded the right of the operator to employ the men he chooses, to discharge the men he chooses, so long as the men discharged have done something that the company is justified in discharging them for. The miners do not have anything to do with the operating end of the company; they do not have anything to do with the selling of their coal or the dictating to them what they shall charge for their coal; they claim that is the operator's business.

So far as the question of the miners interfering in any manner with the operating end of a corporation or coal company, I want to say this, that while in



Denver before a State joint legislative committee the operators were contending, or pretending—let me put it that way, for that is all it was, just another subterfuge—that if the miners would put up a bond for their good behavior, if they would incorporate just enough so they would do differently than they were doing, then perhaps things would be all right. I asked how much bond they thought we ought to put up, and I forget just the amount in dollars and cents agreed on by the operators. This was Mr. C. L. Bond, of Denver, who represented the operators of our State as president of the operators' association at that time. I said to him, "Do I understand you to say, Mr. Bond, that the miners of Colorado should put up a surety bond guaranteeing they would not violate their contracts in any manner?" He said, "Yes." I said, "Are you willing that the company should put up the same kind of a bond that they would not violate their contracts?" He said, "That would be right." I said, "You know that the miners themselves have not the amount of property or money to enable them to put up a bond themselves?" He said, "Yes." I said, "You know the district organization or the local organization has not enough money to put up this bond?" He said, "Yes." "Then," I said, "the international organization will be compelled to put up this bond for the miners." He said, "Yes." "Then, do I understand that the international organization should put up a bond for men they have never seen and over whom they have practically no control and do not know who they are? Do I understand you to say that the miners should have something to say about who should be employed?" And he said, "The miners should say who should be employed in the mine, as to every man that should be employed in the mine." I said, "Mr. Bond, I have been in this organization a good while and as an official for some time, but the time has not yet come when I am willing to ask or to accept any such concession from the operators, because we do not ask it. If the miners should select all the men themselves who are going to work in the mines, or put all of the men out of the mines they do not choose to keep there, they could bankrupt any company in this State. On the other hand, if the miners put up a bond the operators could bring in men who would continually violate agreements, and under that bond the operators could bankrupt any international organization."

Commissioner LENNON. Mr. Lawson, that is pertinent, of course, to the general conditions and the existence of these contracts, or collective bargaining, but I will ask the question a little differently. In presenting these agreements to the employers does the United Mine Workers of America endeavor to cover anything except the wages, the hours of labor, protection for life and limb, and the conditions that have to do with the workmen and their employment in the mines?

Mr. LAWSON. No, sir; it does not.

Commissioner LENNON. That is what it covers?

Mr. LAWSON. That is what it covers, exactly; things of that character. I will put it that way.

Commissioner LENNON. Just one or two other questions. Were you present at the Denver hearing at the time Mr. Welborn testified?

Mr. LAWSON. I may not have been there all of the time; I was not able to be there at all of the hearings. I was there a part of the time.

Commissioner LENNON. Are you aware of the fact that he testified that the Colorado Fuel & Iron Co. expended, I believe it was, \$30,000 for arms to arm the deputies and the gunmen that were operating in southern Colorado?

Mr. LAWSON. I either heard it or read it in the press.

Commissioner LENNON. That testimony was given. Has the union, so far as you know, in Colorado, ever approved a violation of law, or have they ever permitted their members to violate the law?

Mr. LAWSON. No, sir; not in one single instance, so far as I know.

Commissioner LENNON. Do you know of any people who have been charged with violations of law in connection with the contest in Colorado who were, for instance, members perhaps of the Protestant Church or of the Catholic Church or of some military society, where those churches or societies have been charged with criminality because of these individual members being charged with crime of some kind or other?

Mr. LAWSON. Not that I know of.

Commissioner LENNON. How do you account for it, then, that if a union is similarly charged—that if a union member is similarly charged with the commission of some offense that the union is immediately charged with being the criminal?

Mr. LAWSON. It seems to be the common custom of employers of labor in this country who are opposed to organized labor to charge every crime in the calen-

dar to the door of labor; it seems to be one of the subterfuges they use so much; one of the things they give out to the public, leaving the inference that the organization is a lawless organization, and also that it is despotic in its dealings, when the fact of the matter is that it comes as near being a democratic organization as any in the country. Every man in the organization has an opportunity to voice his sentiments. He has an opportunity to cast his ballot. He has an opportunity to speak on every question.

Commissioner LENNON. Mr. Lawson, in the industry in which you have spent your life work, of course there must have been union and nonunion workers. What has been your observation as to law-abiding citizenship as compared between the two? Which of the two have had more of its numbers arrested for drunkenness, for wife beating, and the abandonment of their families and children, and the other crimes and misdemeanors that are committed usually in and among the members of industrial communities?

Mr. LAWSON. Well, if I could give a particular and specific answer to that question I should say, first, the very men who are selected by the operators through the sheriffs of those southern counties, that they are the men who have violated those laws and principles the most; and, in fact, there are a great deal more of those men found in the ranks of the nonunion miners than those in the ranks of the unions.

Commissioner LENNON. I think that is all.

Chairman WALSH. Commissioner Ballard has a few questions to ask.

Commissioner BALLARD. I understand you to state, Mr. Lawson, in those camps in Colorado, run or operated as nonunion camps, the men do not have the pleasures and do not have clubs; they do not have theaters and the ordinary pleasures that men in the cities and towns and other places have.

Mr. LAWSON. Yes, sir; that is my knowledge.

Commissioner BALLARD. Are there not some camps in Colorado where they do treat with the union and where they are unionized?

Mr. LAWSON. Yes.

Commissioner BALLARD. In those camps do the men have clubs and theaters, and are there not better schoolhouses than in the camps that are not unionized?

Mr. LAWSON. Yes, sir; the men in any camp of any size have a union hall of their own where they hold their meetings, and other public meetings are held there, too. Let me cite as an illustration the camp of Lafayette or Louisville or Superior or Marshall or Erie or Frederick, in the northern fields. They have halls which they own or lease, but Louisville and Lafayette have their own halls and have their meetings every week, and they go there and meet, and the hall is open to anyone else who wants to hold a meeting. They have a little theater and other forms of amusement; in fact, they enjoy a good deal more liberty, as well as social pleasures, than they enjoy in the closed camps.

Commissioner BALLARD. There has been some little confusion perhaps about checkweighmen. One of the mine operators in Colorado testified that in selling coal which was shipped on the railroads an accurate weight was kept of it, and the companies, in fact, have books to show that they paid their men for as much coal as that showed, and that therefore there had been no discrimination against the men in the amount of coal as to the amount of the coal, and that the men had really gotten pay for all of the coal mined, because it tallied with the amount of the coal sold. Is that true or accepted by the laboring men?

Mr. LAWSON. That question, Mr. Ballard, brings to mind one of what I call the cheapest and smallest tricks the operators have been known to employ in this way: It is perhaps true that the railroad weights—I will assume that it is true that the railroad rates may tally with the amount of coal paid to the miners, but wherein does the miner get justice and get the correct weights if the operator or the pit boss or superintendent—and I am assuming, of course, they are all operators, because they are under their jurisdiction—wherein I say do they get justice or their just weight if those superintendents or pit bosses take from 100 men so much coal and give it to other men in payment for dead work or day labor performed? You see that in mining the work is nearly always on the contract basis and the men get so much a ton. There is no checkweighman on the tippie. The coal comes out and the weigh boss—why, it is a common thing that I do not think anyone will dispute—the weigh boss on top helps push the cars. I have stood on many of the tipples and seen it myself; he will push the car clear across the scale and dump it without paying any attention to the weighing of the coal. They keep the checks underneath the car to keep them from being stolen. Then he takes the check back to the



little weighing room and looks and sees how much that man was paid for the day before or the week before, and if it is 2,000 pounds he takes his pencil and marks 2,000 pounds or any other amount he feels like putting down. He guesses what it is on that car and has no other way of knowing. In that way there is a great deal of coal purloined from every car. I will admit that there are some exceptions and that there are some operators who are honest enough to see that the men get their just weights without having checkweighmen to keep watch over it. But where the superintendent comes to check up the amount of coal on a railroad car, if he employed you to do dead work, which would amount to \$300, \$400, or \$500 in the pay period, he could take from this amount of coal on hand and pay you that with so many pounds of coal, and in that way pay you for the dead work. And that is the way it is done, and that is why the operators are able to say, "Why, we do not take their coal; the same amount of coal is paid for." And they can show on their books they have paid for so much coal, when they have stolen it from some man and paid it to another for payment of dead work.

Commissioner BALLARD. I understand it, but never did before. But the man that gets the coal in payment would he not have some ticket showing that he received coal and not money for dead work?

Mr. LAWSON. No; it would show he has been given so much coal, he has so many pounds of coal a month, and that is added to the other tonnage. In all probability the man would know that he was paid in coal, but he could not tell where the coal came from; he would not be in position to go to the boss in a nonunion camp and say, "You stole this coal from some other man and gave it to me." He would not stay there long if he did.

Commissioner BALLARD. That is the way it is done, is it?

Mr. LAWSON. Yes, sir.

Commissioner BALLARD. There is another question. We have heard a great deal of the check-off system, and I would like to have that explained a little more in detail and whether or not your miners' union always insists on that method of collecting your dues?

Mr. LAWSON. When the men or miners in any district go into a joint conference with the operators they each submit to the other parties a written agreement. Then they take both of them and sit down and discuss them and go over every detail until they arrive at a conclusion, when the contracts are signed. Usually in that contract it stipulates that the check off shall be one of the provisions and that from the wages of every man will be checked his dues, assessments, etc. Now, in Colorado, let me speak for our district, and there are so many districts alike, but I prefer to speak of that one—we have had the check-off system there since 1906. We signed our first joint contract with the operators and have had that system from that time up until now. Each man signs a blank form which states that, "I hereby desire to have my dues and my assessments, etc., checked off by the company." And that is given to the clerk. It is given to him as a protection to the company against any criticism. Then when the pay day comes around at the end of the month or whatever time the checkweighman turns into the clerk the number of names and the amounts of the dues or assessments, to be deducted from the wages of every man, and they are deducted in the same manner as they deduct powder, oil, house rent, board, doctor, and everything else. But there is no dissension; there is no dispute in the matter at all; the men agree to have it checked off.

The point, I think, in your question is this: Suppose a man comes and he is not willing to agree to the check off. Well, assume that he is not willing to agree to the check off of his powder, of his oil, of his tools, of his tool sharpening, and all other things that contribute to the management of the mine. If he says, "I am not willing to be checked off," he must mean it all, and the boss says, "I will not employ you then," and he is not employed.

Commissioner BALLARD. In this way the mine operators collect the dues for the labor unions?

Mr. LAWSON. Yes, sir.

Commissioner BALLARD. Is that done in any other labor unions that you know of except the United Mine Workers of America?

Mr. LAWSON. I am not sure. The United Mine Workers of America operate, perhaps, differently than most other unions, and their work is so much of it contract work that it demands a different form of bargaining with the operators.

Commissioner BALLARD. That is all.

Chairman WALSH. Mrs Harriman has a question.

Commissioner HARRIMAN. Is anybody taxed for the saloons?

Mr. LAWSON. The saloonkeeper has been taxed, according to my understanding, in Colorado, and the testimony adduced before this commission and the congressional investigating committee is to the effect that the saloonkeeper is taxed 40 or 50 cents a month for every man that works in the mine as rental in certain of those coal camps.

Commissioner HARRIMAN. Who is that done by?

Mr. LAWSON. By the company.

Chairman WALSH. Commissioner Garretson would like to ask a question.

Commissioner GARRETSON. As your experience in dealing with employers—has your experience in dealing with employers taught you that for the purpose of inspiring that mutual confidence that is necessary to the making of an agreement, and that mutual respect that is necessary for the maintenance of it, that there must also be a mutual apprehension in regard to what the result of breaking the contract would be? In other words, the fear of each for the other if unfairly dealt with?

Mr. LAWSON. Yes, sir.

Commissioner GARRETSON. And any system of dealing between employer and employee that has not that element of fear in it is valueless?

Mr. LAWSON. That is correct.

Commissioner GARRETSON. Has it occurred to you or is it your belief that the refusal to sell homes to the men in these closed camps is founded on the economic advantage that accrues to the company from its ability to evict or the stifling of competition in the sale of material and goods to the men?

Mr. LAWSON. Yes, sir; that, in my judgment, is the real reason at the bottom of the whole thing. They will not sell them homes for the reason that if a man quits or is discharged or if he violates their local town laws in any manner, by going out, for illustration, to Trinidad or Walsenburg or any other place and buying groceries, they may discharge him, and he can not remain in the house; he must leave the camp and take his family with him.

Commissioner GARRETSON. In the course of your dealings or connection with these industrial problems in Colorado has it ever been brought upon you personally criminal assault from any employer?

Mr. LAWSON. Well, I have been followed around. I expect, probably as much as any man in this country, Mr. Garretsen, by some of the company's thugs. I have been arrested and thrown in jail and accused of carrying a gun when I did not happen to have a gun with me, and I have also been shot down on the main street of a little town in the West in broad daylight by an operator, because of the stand I had taken in the strike of 1903. Several little things like that have happened. [Laughter.]

Chairman WALSH. Ladies and gentlemen, please make no audible expression.

Commissioner O'Connell would like to ask a question.

Commissioner O'CONNELL. You say you are under indictment in Colorado at the present time?

Mr. LAWSON. Yes, sir; a few.

Commissioner O'CONNELL. How many times have you been indicted?

Mr. LAWSON. At the present time I think there are about 19 indictments against me; I think 19 specific charges, 14 for murder, a couple for assault with intent to kill, 1 for arson, and I think 3 for conspiracy in restraint of trade. They got rid of 8 a little while ago for trying to impeach a judge for throwing some of our boys in jail in the northern field, but I think there are 19 still pending.

Commissioner O'CONNELL. How many indictments were there altogether in Colorado during the strike?

Mr. LAWSON. I do not know how many indictments there have been altogether, but I think it would run up into the thousands if they were counted, but I think there are something over 300 men under indictment now in the different counties.

Commissioner O'CONNELL. That is in connection with this late strike?

Mr. LAWSON. Yes, sir; in connection with this recent strike.

Commissioner O'CONNELL. Are there any indictments against the operators?

Mr. LAWSON. Not one.

Commissioner O'CONNELL. Were there any suits or cases brought against the operators, individually or collectively?

Mr. LAWSON. No; there was not any against the operators that I can recall just now, except the operator who I said shot me on the street in New Castle in 1903, but I was speaking about this present time. No; there was a number



of the militia who were tried by the military court in Colorado for the murder of three men who were killed after they had been taken prisoners, and also for the murder of the 14 women and children that were murdered in Ludlow, but those people have all been exonerated and turned loose. In fact, they are still, I understand, in the employ of the operators.

Commissioner O'CONNELL. That is, they were turned loose by the lower court?

Mr. LAWSON. Turned loose by the military court, the militia.

Commissioner O'CONNELL. What was done in the case of the man that shot you?

Mr. LAWSON. Nothing.

Commissioner O'CONNELL. He was exonerated or discharged?

Mr. LAWSON. He was not—I will tell you what happened to him.

Commissioner O'CONNELL. Did I understand you to say that he was arrested or that suit was brought against him?

Mr. LAWSON. He was arrested and taken home and gotten out of the country.

Commissioner O'CONNELL. Who was he arrested by?

Mr. LAWSON. By a deputy sheriff, one of his friends.

Commissioner O'CONNELL. Was he ever brought to trial?

Mr. LAWSON. I was just going to tell you about that. When the case came up for hearing, the night before the hearing, the district attorney, John L. Gray by name, of the ninth judicial district of Colorado, got up just before court adjourned and nolle-prossed the case. He said, "These charges come out of the strike we are just going through and it is a strike charge and I do not believe we ought to press the case." So the case was nolle and never came to trial.

Commissioner O'CONNELL. He was an operator?

Mr. LAWSON. Yes, sir.

Commissioner O'CONNELL. Operating a mine in that district?

Mr. LAWSON. Yes, sir.

Commissioner O'CONNELL. And he left the country, you say?

Mr. LAWSON. No; he is still in the country.

Commissioner O'CONNELL. I thought you said he was taken away.

Mr. LAWSON. He was taken away for that period. He was not in jail. He was taken off and hid out by some of his friends. He was arrested by Deputy Sheriff Ritter.

Commissioner O'CONNELL. Was he active in the strike afterwards?

Mr. LAWSON. No; he was not very active in the strike afterwards.

Commissioner O'CONNELL. Why did he shoot you? What was the particular reason assigned for it?

Mr. LAWSON. It happened something like this, if I can tell you briefly. I would rather that some one else should talk about this.

Commissioner O'CONNELL. If there is anything you do not want to answer because of its reflection, you need not do so.

Mr. LAWSON. No; but I would prefer that some one else should talk about me than to talk about myself.

The fact is that an article appeared in a paper he ran also and I was informed that another man had written the article. A little fellow that weighed about 230 pounds. I met him one day and asked him to explain it. The result was that in my desire to have it explained he struck me, and when we got through this other fellow took it up in his paper and challenged me to meet him in New Castle, which was our home. I met him in a barber shop a few days afterwards—

Commissioner O'CONNELL (interrupting). And what was implied in his challenge to meet you; was it to debate or combat?

Mr. LAWSON. He challenged me to meet him and fight him. He talked about the fight this other fellow and I had, and he was not satisfied, and said he wanted to meet me, and three or four days afterwards I happened to meet him in a barber shop and we spoke to each other and I said, "I understand you have challenged me in your paper." And I said "I have." I said "You know those things don't get any better after they have aged," and we talked quietly about it, just as quietly as we are talking here, and he invited me into the street. I said, "Your wife and babies are in the buggy out there in the street and you had better take them home." He said, "You don't need to think about them; I am able to take care of them," and I said, "You had better do that and if we have any differences we can settle them all right." There was no talk about a gun or anything of that kind; I did not have any gun with me

as it developed later. He insisted that we go out in the street and I said, "All right; the street is good enough for me," and I did not have any hat or coat and my vest was open and he went into the street and I jumped off of the sidewalk, which was 2 or 3 feet above the roadway, and he walked to his buggy and pulled a pump shotgun out from under the lap robe and turned around and threw a shell into it and invited me to take my medicine, and I did, and that was about the extent of it.

Chairman WALSH. Mrs. Harriman has another question she wishes to ask you.

Commissioner HARRIMAN. I want to know when was martial law declared in Colorado?

Mr. LAWSON. It has not been declared since 1903, to my knowledge, Mrs. Harriman.

Commissioner HARRIMAN. Not declared since 1903?

Mr. LAWSON. No.

Commissioner HARRIMAN. Did not the militia make arrests?

Mr. LAWSON. Yes; the militia made many and many arrests.

Commissioner HARRIMAN. Did any of these people arrested serve terms in prison?

Mr. LAWSON. Yes, madam; a great many of them; some are in there yet.

Commissioner HARRIMAN. Who tried those cases? Before whom were those cases tried?

Mr. LAWSON. A great many of them have not been tried—in fact I don't believe any of them have been tried, or with very few exceptions. The military commission never tried any cases, but they held persons there sometimes as many as 40 days at a time, and then turned them loose; did not prefer any charges against them in a civil court at all.

Commissioner HARRIMAN. How many?

Mr. LAWSON. Oh, I couldn't say. There must have been hundreds of them altogether. There were so many that we did not keep count of them, Mrs. Harriman. It got to be such a common thing that—women even were arrested and held in jail. It did not seem to make very much difference who they were, as long as they were in sympathy with the strikers.

Chairman WALSH. I have been asked to ask you this question: If the conditions were such as you have described in the closed mining camps, why didn't the miners move away from there?

Mr. LAWSON. If I knew who asked that question I would ask him where they were going to go to. The miners, like most other workmen, have got to keep on working every day to keep the wolf from the door. And they are brought into those countries, or mining fields, or induced to go into them, with the understanding that conditions are pretty good; and after they got there—I am speaking of the closed camps now again—after they get there they find, to their great disappointment, that they are not what they seemed to be, and they are not able—they have not got the money to move their families away from there, and they would have to leave the State almost to find a place to work.

Chairman WALSH. Commissioner Weinstock says he has another question.

Commissioner WEINSTOCK. If the operators were guilty of lawbreaking or crimes, has any effort been made on the part of the unions to have them indicted?

Mr. LAWSON. The unions in Colorado have discovered some time back, Mr. Weinstock, that where the operators have such a great influence and such a great part in electing the officials of our State, and particularly the judiciary in these counties, it is not of very much use trying to have them indicted. At least we have decided not to bother them at the present time.

Commissioner WEINSTOCK. You say you do not think it worth while to have them indicted because the operators have the power to elect the officials of the State.

Mr. LAWSON. I say they have in a large measure the power and they do exercise that power; yes, sir.

Commissioner WEINSTOCK. May I ask this question, Mr. Lawson: In nearly every State in the Union the wage earners are in the majority of the voters. Does that hold with Colorado?

Mr. LAWSON. Yes.

Commissioner WEINSTOCK. The majority of the voters there are wage earners?

Mr. LAWSON. Yes. That holds good, in my judgment, in Colorado.

Commissioner WEINSTOCK. Are the wage earners in Colorado in sympathy with the miners?



Mr. LAWSON. Yes; the great majority of them, and have so expressed themselves.

Commissioner WEINSTOCK. Now, you have the recall there, have you not?

Mr. LAWSON. Yes, sir.

Commissioner WEINSTOCK. Then if officials are elected that, in the judgment of the workers, are incompetent or dishonest or unfit, what is to prevent them from applying the recall?

Mr. LAWSON. The recall is such an expensive article or luxury, I should call it, and so cumbersome yet in our State, that it would be quite a good long time before we could recall any officer. And we understand that the question of recalling officials is not always the best thing to do, because of the fact that you can not get to the people to get them to understand the grievance. And while it is true that the wage earners are in a majority, it is a most unfortunate thing that they do not all possess the intelligence that they should possess and the understanding of politics and its ways.

Commissioner WEINSTOCK. Well, then, are we to understand from that, Mr. Lawson, that despite the fact that the people of the State of Colorado have given practically to the workers the right to prevent bad laws being put on the statute books by virtue of the referendum and the right to put on the statute books laws in their interest and in their protection by virtue of the initiative, and the right to recall derelict officials, despite the fact that the people of Colorado have given those blessings—political blessings—to the wage earners of the State—

Mr. LAWSON (interrupting). Yes.

Commissioner WEINSTOCK (continuing). That democracy in Colorado is practically a failure?

Mr. LAWSON. Yes. I want to make this statement quite frankly and quite candidly. Democracy in Colorado has been a most miserable failure for some years.

Commissioner WEINSTOCK. Isn't that a most serious reflection on the people of the State of Colorado?

Mr. LAWSON. Yes; I think it is; and I think the same reflection might be spread out to other States than Colorado in this Union.

Commissioner WEINSTOCK. If democracy is a failure, then wherein lies any hope?

Mr. LAWSON. In making it effective.

Commissioner WEINSTOCK. Well, how else would you make it effective than to put the ballot in the hands of every voter in the State to enact laws which will be in the interest of the majority of the State?

Mr. LAWSON. I will tell you how I think it could be made effective—by every man at the head of or in every corporation complying with the laws himself and giving to the working people social and political liberty and industrial justice. Then democracy will reign in their or in any other State.

Commissioner WEINSTOCK. Well, if the people of the Commonwealth give to the workers of that Commonwealth every opportunity, by their votes, to enact such laws as seem to be in their best interest, and they either will not or can not or decline to avail themselves of those possibilities, what more can be done?

Mr. LAWSON. How can you avail yourself of a law, if the men whom it applies to refuse to live up to the law and the officials of certain counties fail or refuse to prosecute them. In other words, it amounts to this much: It is getting to the place, in my judgment, where men must recognize it as their duty to society to live up to the laws themselves without being penalized, without being convicted of wrongdoing.

Commissioner WEINSTOCK. Don't you see, Mr. Lawson, that when it is admitted that the majority of the voters in Colorado, as in other States, are wage earners, and when it is admitted that the law makes it possible for them to legislate in their own selfish interests if they want to, because they have the power of the majority vote, and they fail to do that, that it is an awful reflection upon the intelligence and civic spirit of the wage earners themselves?

Mr. LAWSON. Yes; I will plead guilty to the indictment so far as the wage earners are concerned; and I also want to say that it is a greater reflection upon the people who understand the law and have the intelligence to know what law means, to violate it continually and every day.

Commissioner WEINSTOCK. Then how can you hold the operators responsible for the neglect of the wage earners themselves in performing their civic duty?

Mr. LAWSON. I am not finding the fault with the operators for the wage earners not doing their duty; but I am finding fault with the operators violat-

ing every law that pertains to labor and mine inspection in our State year after year when those laws are on our statute books. That is the fault I am finding with them.

Commissioner WEINSTOCK. The remedy had been placed, according to your own statement, absolutely, in more recent times, in the hands of the workers, and they have failed to apply the remedy.

Mr. LAWSON. Yes, sir; and they will eventually apply the remedy. It will take time for them to be educated to the place where they will understand that they must effectively wield the ballot and not let the other fellow do all the dictating to them. And that time is coming, in my judgment.

Commissioner WEINSTOCK. I am asked to put to you this question: That the Survey—a weekly publication called the Survey—in an article on the Colorado strike, states that wages are generally conceded to be good in Colorado. Have you any comment or correction to make on that statement?

Mr. LAWSON. I did not get that last part.

Commissioner WEINSTOCK. The Survey, in an article on the Colorado strike, states that wages in Colorado are generally conceded to be good. Have you any comment or correction to make on that point.

Mr. LAWSON. I have got this comment to make on it, Mr. Weinstock: That the wages of Colorado are lower than Wyoming, Montana, and Washington; and, in my judgment, they are not conceded, by me at least, to be good, and I want to say this in connection with that, for fear I may be misunderstood or misinterpreted. It is not what a man earns in Colorado that counts; it is what he gets when they get through with him.

Commissioner WEINSTOCK. You were saying a little while ago, Mr. Lawson, that if an applicant for a job at a mine should refuse to pay for the things that he uses—his powder, his fuse, and other things—that the company would refuse to employ him?

Mr. LAWSON. Yes.

Commissioner WEINSTOCK. Of course the company would be thoroughly justified in the refusal to employ him if he failed to do that—

Mr. LAWSON (interrupting). Pardon me. Let me get this—if a man refuses to let the company check off his wages the amount of the store and rent and powder and all tools, blacksmithing, and so forth, that they will be justified in discharging him?

Commissioner WEINSTOCK. Perhaps I did not understand the situation. I understood the situation, as you explained it, to be substantially this: If I, as a miner, for instance, am employed in a mine, there would be furnished to me by the company at my expense—

Mr. LAWSON (interrupting). Yes.

Commissioner WEINSTOCK (continuing). Powder, fuse, and certain other things that would be necessary; and they would be deducted from my pay.

Mr. LAWSON. Yes.

Commissioner WEINSTOCK. Now, of course, if I started out and said: "I propose to use your powder and your fuse, but I am not going to pay you for it. I am not going to allow you to deduct it from my wages." I can understand that, under those circumstances, the company would be justified in refusing to employ me.

Mr. LAWSON. Would you permit me again to get it clear in my mind, to ask this question: You are the employer, now, and I am a miner coming to you for employment. Suppose I say you shall not deduct from my wages powder, oil, or anything else. I will pay it on pay day. What would you say?

Commissioner WEINSTOCK. Well, I should say to you, if I were dealing with you personally, "That is all right, Mr. Lawson. I know you and I have confidence in you." But if I were employing 5,000 men, the great majority of whom I knew nothing about, who might be here to-day and there to-morrow. I do not think I could afford to take chances on it.

Mr. LAWSON. Yes; you would check off my wages.

Commissioner WEINSTOCK. Yes.

Mr. LAWSON. Yes.

Commissioner WEINSTOCK. But, now, supposing, as an applicant for a job, I said to the mine owner, "I am perfectly willing you should deduct from my pay the things I have bought and used, but I am unwilling you should deduct from my pay the dues to the union, because I am unwilling to join the union." Then, what would happen?

Mr. LAWSON. Now, to illustrate my answer to your question, I will have to ask another question. Assume that you are the employer and I the miner who



comes to you, and I say: "I will not submit to my dues being checked off. You have made an agreement with the rest of the miners in that mine, and I say that I will not comply with that agreement because I will not permit my dues to be checked off by the organization, or to the organization." Would you employ me?

Commissioner WEINSTOCK. Not if I, as the applicant, had agreed that it should be checked off. In that case it would be a violation of agreement on my part. But if I came in as an applicant, without having any agreement—

Mr. LAWSON. No; you are the employer and I am the applicant for a job.

Commissioner WEINSTOCK. Oh; that is quite right; if I, as an employer, entered into an agreement with the union that I was to deduct from each worker a certain sum and turn it over to the union, of course I would want to stand on my agreement.

Mr. LAWSON. Yes; there is the check off exactly, and that is the way it works.

Commissioner WEINSTOCK. Yes; all right; but the part I want to get at is this, Mr. Lawson: Why should the union demand for itself privileges that it is not willing to concede to others—for instance, a church organization or a fraternal order could not come to the employer and ask that the employer shall deduct from the wages of the miner his church dues or his fraternal dues. Now, why say that he must deduct the dues for a union?

Mr. LAWSON. Well, I don't know any difference—any reason why they should not come along and deduct church dues if it is agreeable to a man to pay church dues, and other moneys out that way. I happen to know that I have paid, through the check-off system, contributions to the sisters who used to come around. In fact, I don't remember ever refusing one. I would say, "Why, yes, I'll give you a dollar. Just mark it down there." And it was taken off my wages; taken out just the same as oil or anything was taken out. I had agreed to it just the same as a man agrees to have his dues checked off.

Commissioner WEINSTOCK. But isn't that one of the reasons, Mr. Lawson, that is given by the employer for refusing to go into a contract with the United Mine Workers of America, because they claim that the union demands, as one of the conditions, that the employer shall deduct from every worker, whether he is willing to agree to it or not, the union dues, and that unless the employer will agree to do that, will agree to use his machinery for the collection of the union's dues, they will not enter into a union agreement with him?

Mr. LAWSON. I contend, Mr. Weinstock, that is not the reason, but a subterfuge that they give. They do not use it as a reason. There is no reason in it because they check off themselves at every mine. They have done it to my knowledge for more than 35 years. They do use it for a subterfuge, because they do not want to enter into collective bargaining with the employees, and they think that sounds well in public to people who do not understand what the check off really means—people who do not understand that the operators themselves inaugurated that system.

Commissioner WEINSTOCK. I can easily understand, Mr. Lawson, that where the employer is in perfect sympathy with the union he might be extremely willing and anxious to enter into an agreement with the union and would co-operate in an agreement of that kind; but where the employer reluctantly deals with the union, that he would raise that as one of the objections to doing so.

Mr. LAWSON. Well, of course, the difference between a man who does it reluctantly, or a man who deals at all, or willingly—I think the line is very finely drawn there, Mr. Weinstock. And if he agrees at all I imagine he does it willingly. You and I, if we reach an agreement, it will be a mutual understanding and be an agreement; that is all there is to it.

Commissioner WEINSTOCK. Do all unions in all industries establish the same condition that the employer must deduct from the worker's wages his union dues?

Mr. LAWSON. I can not state about that, Mr. Weinstock. I don't know much about any other organization.

Commissioner WEINSTOCK. Do you know any other organization that makes that condition?

Mr. LAWSON. No; I can not recall any; but I want to say again that I do not know much about the workmen in other organizations.

Commissioner WEINSTOCK. You think, from your point of view, the union is justified in demanding of the employer that he shall use his clerical machinery for the collection of the union dues?

Mr. LAWSON. Why, absolutely, as long as he checks off the other things arbitrarily or otherwise. He has just as much right to collect union dues from me and other men as long as we agree to it as he has to take off for powder or oil or the store or the doctor or rent or anything else. It is just the same rights. And I want to say this in connection with that; just one word in connection with that. Where the union is recognized, where it has an agreement, and where there is a complete check off, there is the most harmony and the best results gotten in any mine. Where there is no check off and the mines are what they call in some places the open shop, one half union and the other half nonunion men, the mine is a state of turmoil all the time, and they do not get the efficiency from the men in a mine of that kind.

Commissioner O'CONNELL. Getting back to this democracy in Colorado—you attended our Denver hearing; at least I saw you there occasionally.

Mr. LAWSON. Yes; I attended some of them.

Commissioner O'CONNELL. And you heard the evidence of a number of the citizens from Huerfano and those other counties in that part of the State?

Mr. LAWSON. Yes.

Commissioner O'CONNELL. Regarding the political situation and the number of men having political liberty, how are the judges and the election boards, and so on, selected in those counties?

Mr. LAWSON. Well, they are selected a little bit like this: Of course, each party has a right to select its own judges. In those counties they have got enough men on both sides of the house to select safe men who are always with the company. That is the way they select them.

If you will pardon me I would like to answer a little more fully just a question Mr. Weinstock asked; that is, in connection as to why the people of Colorado did not recall the judges. I stated a while ago there were a number of indictments, eight indictments, against a number of other men, myself included, that have been quashed some time ago. We were indicted on eight counts because we attempted to impeach Judge Greeley W. Whitford, of Denver, for throwing about 32 men into jail. That is the reason that the people of Colorado do not or are not able to enforce the law, for the democracy does not reign there.

Commissioner O'CONNELL. Had there been saloon keepers and mine bosses, and so on, on election boards?

Mr. LAWSON. Oh, yes; that is a very common thing in Colorado.

Commissioner O'CONNELL. Have there been election stations where there were no boards at all to go ahead with the work and the mine boss simply appointed a board, acted as the court, and appointed election boards?

Mr. LAWSON. I have heard statements of that kind, and I believe testimony was given to that effect. But there is something else in connection with that that is, I think, even more wonderful in Huerfano County, the domain of Jeff Farr.

Commissioner O'CONNELL. I am coming to that in a second.

Mr. LAWSON. Where the boundary line was changed?

Commissioner O'CONNELL. I am coming to the kingdom of Jeff Farr in a minute.

Mr. LAWSON. I was just going to say they changed the boundary line in that county wherever—changed the boundary line of the proceedings where men were going to vote, in their opinion, against the interests of the coal companies, or Jeff Farr; those boundary lines were changed so that those people had to travel for miles and miles and had either to go by foot or go around in a wagon to get into the precinct in which they lived.

Commissioner O'CONNELL. Have you heard of them voting sheep in these counties?

Mr. LAWSON. Yes; that is a common thing with them and has been for the past; mules also and box cars and things of that kind.

Commissioner O'CONNELL. In order to bring the necessary vote up for a certain proposition, a certain majority, if there was a number of sheep being driven by, they would count the sheep so many votes?

Mr. LAWSON. That has been a custom in Colorado to vote in that way. They always hold their returns back in those counties, and particularly those where they do not know the count; they hold it up until the rest of the returns were counted, and then they would call in and say, "How many do you need?" That is common knowledge everywhere.

Commissioner O'CONNELL. Now, in this county Sheriff Farr is recognized as the king, as was said before our commission in our hearing in Denver?



Mr. LAWSON. Yes.

Commissioner O'CONNELL. He has been sheriff of this county for how many years?

Mr. LAWSON. I think about 16.

Commissioner O'CONNELL. And he is practically recognized as the political boss in these counties?

Mr. LAWSON. Yes; there is no dispute in that country.

Commissioner O'CONNELL. He dominates not only in politics, but he dominates the entire liquor business of the community?

Mr. LAWSON. Yes; that is true; he and a few others dominate the entire liquor business in that county.

Chairman O'CONNELL. And he is a representative so said, he is a representative of the coal companies in these counties?

Mr. LAWSON. Yes; and he does not deny it; and I don't think they do.

Commissioner O'CONNELL. He is the man who appointed in the course of 30 or 60 days, I don't remember just which, more than 1,000 deputy sheriffs, men he had never heard of before or had not seen, and did not know who they were?

Mr. LAWSON. Yes.

Commissioner O'CONNELL. Nor did he know where they went after he had appointed them or commissioned them, simply commissioned them and they were turned loose during the strike there, armed and turned loose without anyone having control of them at all?

Mr. LAWSON. That is correct.

Commissioner O'CONNELL. According to the evidence before this commission?

Mr. LAWSON. That is common knowledge.

Commissioner O'CONNELL. And did not know where they were going, did not know anything with regard to them, and did not know who they were?

Mr. LAWSON. Men he had never seen.

Commissioner O'CONNELL. They were just turned loose on that, for the purpose, for no other purpose than breaking the strike or committing crimes even to the extent of murder?

Mr. LAWSON. Yes; that is correct. That has been done even to the extent of murder.

Commissioner O'CONNELL. That is all.

Mr. LAWSON. Common robbery is not paid any attention to among those fellows.

Commissioner HARRIMAN. I have two questions which I have been asked to put to you: One is about whether you have any knowledge of the kind of receipts they give for post-office orders?

Mr. LAWSON. Yes; I had a hat full one time of company-store money orders that the men received when they asked for the United States post-office money orders. They had a habit, the Colorado Fuel & Iron Co., of issuing—the Colorado Supply Co.—the same thing, it is a subsidiary company, when a man or a person went to ask for a money order they issued them a company money order instead of a United States money order. That was very common also.

Commissioner HARRIMAN. Do they still do that?

Mr. LAWSON. No. Mr. Welborn testified in Trinidad before the congressional committee that he stopped that as soon as he heard about it. But that was the first time he heard about it, by the way, I think.

Commissioner HARRIMAN. Can anyone go in or out of the mining camps if they happen to be undesirable to the company?

Mr. LAWSON. Yes, madam.

Commissioner HARRIMAN. And come into the camps?

Mr. LAWSON. They perhaps may come but they go out awful quick again.

Commissioner HARRIMAN. In other words, then, they can not go?

Mr. LAWSON. They can't stay there; that is what I want to state. They might get in but they can't stay in, Mrs. Harriman, very long.

Commissioner HARRIMAN. Have you had any experience?

Mr. LAWSON. Yes; I have had some experience of that kind. I have gotten in any stayed in quite a while because they didn't know me, but that is the only way you can stay in those camps.

Chairman WALSH. Thank you, Mr. Lawson. You will be permanently excused now.

Amos Pinchot.

TESTIMONY OF MR. AMOS PINCHOT.

Chairman WALSH. Please state your name.

Mr. PINCHOT. Amos Pinchot.

Chairman WALSH. Where do you live, Mr. Pinchot?

Mr. PINCHOT. New York City.

Chairman WALSH. What is your business?

Mr. PINCHOT. I am a lawyer, Mr. Chairman.

Chairman WALSH. Have you given any particular study to industrial matters and to the relations between employers and employees?

Mr. PINCHOT. Yes, Mr. Chairman, I have for the last two years—the last three years.

Chairman WALSH. In a general way will you kindly state along what lines your experience and study has been?

Mr. PINCHOT. It has been largely along the lines of the relations between capital and labor, especially into the organization of large industrial companies, which we speak of as monopolies or trusts. I have from time to time taken active part in the investigation of troubles between capital and labor. I visited strike points and made reports.

Chairman WALSH. Have there been some questions submitted to you, Mr. Pinchot, covering certain topics that are under consideration at this hearing?

Mr. PINCHOT. Yes, Mr. Chairman.

Chairman WALSH. Have you prepared yourself to reply to those, first by reading? I believe you mentioned to me yesterday that you had prepared some written answers?

Mr. PINCHOT. I received from the commission six questions, and in order to be specific I prepared the answers in writing.

Chairman WALSH. Well, then, would you prefer to read from this point?

Mr. PINCHOT. I would rather, Mr. Chairman.

Chairman WALSH. Very good.

Mr. PINCHOT. If it is convenient to the commission.

Chairman WALSH. The commission will be very pleased to hear you in that way.

Mr. PINCHOT. The first question that was submitted to me, Mr. Chairman, is, "What is your opinion of collective bargaining?" At this stage in the world's development it seems to me utterly futile to discuss whether or not labor should have the right to bargain collectively with capital. We might as well, Mr. Chairman, discuss whether slavery or freedom is the better plan.

The idea that powerful, highly organized corporations should refuse to treat except with individual employees, who are utterly helpless to drive a bargain, is so feudal and barbarous that it is not worthy of serious consideration; at least it would not be if such corporations as the Colorado Fuel & Iron Co., the United States Steel Corporation, and other great combinations of capital did not still take this antediluvian stand. I call the attention of this commission to the fact that even college presidents and professors of economics, who are often the last to look at labor questions from a human or practical point of view, have in the last few years again and again reiterated the necessity of the recognition of labor unions and collective bargaining. In 1913, Seth Low, ex-president of Columbia, made a strong statement urging the fundamental justice and practical necessity of recognizing labor unions. And last year Prof. Seligman, of the same university, pointed out that where collective bargaining existed labor troubles were minimized. Even the more enlightened presidents of our great railroad systems admit not only the fundamental justice, but the need to both employer and employee of recognizing unions and bargaining collectively. Within a few months, the president of one of our largest systems told me that to deny recognition to a union was a thing which, from the point of view of both morals and expediency, was hopelessly out of date.

If I belonged to the labor class I would spend whatever spare time I had in strengthening my union and forcing its recognition by my employers. For I would be well aware that through recognition of the union only is it possible to break the system of so-called benevolent absolutism by which our great corporations are taking away every right from labor except the right to work at a wage hardly large enough to supply physical efficiency.

In the old slavery days, Mr. Chairman, Abraham Lincoln said that if some smart Yankee could invent a strong-armed man without a head he would receive the everlasting gratitude of the advocates of slavery. He also said that no man was good enough to govern another man without that man's



consent. But in the system of Golden Rule absolutism, of which so many advocates have appeared as witnesses before your commission, complete control—a control touching the most vital things in a man's life, and fixing the conditions in which he must work and live and try to support his family—is assumed by the employer. And in spite of the obvious injustice and impracticability of this régime, we find many men of general education and refinement coming before this commission and defending the continuance of this system.

In the questions submitted to me a second question was: "What in your opinion is the cause of industrial unrest in this country?"

My answer to that question is as follows:

In my opinion the cause of the industrial unrest in this country is the fact that there are more men than there are jobs all the time, and in hard times often a dozen men for each job. This results in a condition where the men are bidding against each other for the jobs. The line which we ought to take in attacking such a situation is to develop industry to a point where there are more jobs than there are men. And this can not be done simply by forcing the employers to recognize the unions and assent to collective bargaining.

When the employer admits the right of labor to share in fixing the conditions under which it shall work and live, it is a step in the direction of giving the men who have the jobs some degree of freedom and a living wage. But it does not provide jobs for the jobless men. This can only be done by opening up opportunities for more industry and consequently for more labor. The real duty of labor unionism goes beyond the establishing of collective bargaining. It is to cooperate with all intelligent citizens in forcing the public to realize the paramount necessity of increasing the total of productive industry, so that the opportunities for both capital and labor will be increased—so that a point will be reached, Mr. Chairman, where employers will be bidding against each other for men instead of men bidding against each other for employment. To-day in this country, which contains to an almost unlimited extent the natural resources and raw materials which are the bases of both industry and labor, a condition of restriction exists which limits industry and therefore limits the amount of labor which is used in industry. This is the bottom of the labor trouble.

In almost every great industry the things which both capital and labor must have in order to apply themselves are so cornered or controlled by a small monopolist group that business can not be extended and employment can not be increased, and there results on the one hand a restriction of product and consequent high prices to the consumer, and, on the other hand, a restriction of labor and consequent unemployment and poverty in the labor class. This is what all of us who are interested in legitimate enterprises or in the labor situation must turn their minds to. Mr. Chairman, I will be specific.

Last year the Legislative Assembly of New Jersey made a report which stated that 87 per cent of all the anthracite coal of the United States was owned or controlled by a close combination of 11 railroads, in which the Philadelphia & Reading alone controlled 63 per cent of all the unmined coal. This cornering of the anthracite coal deposits, which are a basis of both industry and labor, produces a condition of restriction in industry and labor. In the last three years in which reports are available, 89 per cent of the anthracite coal mined in the United States was produced by this combination of railroads, which was commonly and correctly termed "the coal trust." The fact that this monopolistic group controls both the coal deposits themselves and the railroads which transport the coal makes it utterly impossible for new capital to break into the situation in a large way. The vast majority of this coal is held by the operators out of use, partially in order to profit by a rise in price and partially to prevent competition. While this condition exists, Mr. Chairman, while the thing which both labor and capital must have access to in order to apply themselves is held out of reach by those who will not use it themselves, it is evident that a vast limitation of industry and of labor is the result. It is patent that in this one example of the monopolistic control of hard coal we have a key not only to the high price of the necessities of existence, but to the fact that men are bidding against each other for jobs instead of jobs bidding against each other for men.

The same condition exists to a great extent in the soft coal deposits of Colorado. Mr. Rockefeller disclaims control over these coal fields on the ground that he is only the controlling force in one company of the group. But nevertheless we know that Mr. Rockefeller is morally as well as financially the

controlling factor in the situation of southern Colorado. We know that there is no competition in this one field, the soft coal industry in southern Colorado, and we are aware that during the recent strike the monopoly of the owners was so open that a committee representing them advertised over their own names that if the people of Colorado would help them to put down the strike they would, in return, put down the price of soft coal.

The Steel Corporation owes its ability to prevent competition and to fix prices in the steel industry to the same two elements, the ownership of vast tracts of the best iron ore and coking coal, and the possession of the railroads necessary to transport the ore and coal. Mr. Schwab, himself, who was the Steel Corporation's first president, testified in 1912 that from 80 to 90 per cent of the steel produced in the whole of the United States is made from ores from the Lake regions from Michigan and Minnesota. This percentage may have changed somewhat since he gave his testimony. Mr. H. K. Smith, the Commissioner of Corporations under President Roosevelt and President Taft, is authority for the statement that 75 per cent of all this merchantable ore was bought or leased by the Steel Corporation at or shortly after its organization. Mr. Gary has admitted on the stand before the same inquiry that the Steel Corporation held what he termed an "ultimate monopoly" in this country's ore lands.

Mr. James J. Hill, in 1912, said that all of the available ore on the northern American continent, both large and small deposits, was preempted. And Mr. Carnegie and Mr. Schwab both testified that no large new steel business could be initiated in America on account of the existing control of ore lands.

In addition to this control of natural resources as a means to restrict both industry and labor, the Steel Corporation owns the railroads which haul the ore from the lake regions to its own plants and those of the independents. The result is that the Steel Corporation, through its ownership of roads, can assemble the raw materials necessary to produce a ton of steel or pig iron from two to three dollars cheaper than an independent in the steel business.

Mr. Gary, in 1912, stated on the stand that this differential in transportation between the trust and the independents amounted to about \$2. An estimate was made for the investigating committee of Congress at this time which placed the differential at \$3 or more. The Steel Corporation does not prevent competition, restrict industry, and limit the opportunities of labor by making steel more cheaply than the independents, for the actual mill costs of the corporation and the independents is approximately the same; but owing to its control of ore and transportation, it can begin the operation of making the steel at its plants with an advantage over independents so large that no independent can compete in the steel industry, and no new capital can go into steel making except with the Steel Corporation's consent.

Again, in addition to this, the customers of the steel trade are largely the railroads; and the groups which control the steel trust also control the railroads. So that one who would compete against the Steel Corporation in selling rails would not only have to buck against the differential which I have described above, but would have to sell rails to the railroads in competition with the Steel Corporation which practically controls such railroads.

The beef-packing business is under much the same limitations as the hard coal, the soft coal, and steel business. Through its relation with the railroads it can and does obtain transportation upon a better basis than any independent. The recent complaint of the Argentine packers who have tried to break into the American market has demonstrated this fact. For instance last year the Armours stated that they owned \$11,000,000 worth of private cars. The railroads ice these cars. If at the end of a year the Armours send in a bill to the railroad for damages on account of defective icing or delays in transportation, who is to say whether this bill is really a just charge upon the railroads, or a rebate which the beef trust gets as an advantage over outside competitors?

Miss Ida Tarbell, who has testified before this commission, long ago published a story of how the Standard Oil fortune was made and industrial competition restricted, and finally killed by Mr. Rockefeller's criminal alliance with the railroads. The story of that episode is told when we say that Mr. Rockefeller went to the railroads and said, "You must ship for me cheaper than for anybody else." That ended competition. By this simple means industry and labor were restricted in the oil trade and prices were fixed.

Later on the Standard Oil found a cheaper method of transportation in pipe lines, and last year the Interstate Commerce Commission, speaking of the Standard Oil Co.'s pipe lines, said:



"The possession of these pipe lines enables the Standard to control the price of crude petroleum, and to determine therefore the price which its competitors in a given locality shall pay."

And now I want to call your attention to the next sentence in the Interstate Commerce Commission's statement:

"In any industry, whoever controls the avenues of transportation of either the raw material or the finished product can speedily drive all competitors out of business."

Here we have the highest authority in the land plainly stating that through the control of transportation a corporation can cripple or destroy industry, and this means that it can also close opportunities of labor. This power still exists to-day unabated. It has never been broken. As laws have driven monopolies from old forms of rebating they have discovered new ones. Division of freight rates favoring those who initiate business, leasing properties to railroads at fancy prices, granting liberal damage claims, deliveries made to private terminals without charge, and a hundred other devices by which railroads favor great corporations have not only kept rebating alive but have actually largely increased it.

Commissioner of Corporations Garfield informs us that it was utterly impossible to prevent or even trace the methods of establishing transportation differentials or rebates which the Standard Oil Co. and other great industrial groups pursue. Last year's disclosures before the Interstate Commerce Commission of a dozen different kinds of rebating on gigantic scales has taught us that this control over industry and labor has not been weakened up to date and that we can not expect it to be weakened as long as production and distribution remain in the same hand.

The lumber industry is subject to much the same concentration of ownership as the other great industries which I have mentioned. And, finally, the land itself is becoming more and more concentrated in the hands of fewer people. I have high authority for the statement that the tenant farmers are increasing four times as fast in this country as the owner farmers. I have myself visited farms in Texas ranging from 200,000 to 1,300,000 acres. In the East and the West alike the land, every 5 acres of which is a potential living for an unemployed man, is being more and more held out of use. The firm of Miller & Lux boasted when I was in California that it could drive its cattle over its own lands from San Francisco to Los Angeles.

Every day an immense influx of thousands of men and women land from Europe upon American soil. And yet the opportunity for labor on the soil is more restricted yearly as the number of foreign laborers pours in. Unemployment will continue to increase. The power of those great employers, whose economic interest it is to see that at least two men are asking at the same moment for one job, will continue to increase until we take effective steps to make accessible to industry the natural resources—the mines, the great water-powers, the timber and agricultural tracts—which are the absolute necessities of both new capital and new labor.

To this problem all thoughtful, serious-minded citizens must turn their attention; to this the labor unions as much as the general public must devote their efforts; and to this capital—for after all the major portion of capital in America is not identified with the great price-fixing monopolies, but hostile to them because it is oppressed by them—must also bend its energies.

Mr. Ford said in his testimony before this commission that the Government should own the mines and other natural resources, which are the foundation of industry and labor. This is the only doctrine in which there is any hope.

The monopolist group will fight this doctrine to the death, but not until it prevails will we realize the maximum of industrial development, of democracy in industry, or a fair opportunity for employment on equitable terms.

The methods of accomplishing these ends, Mr. Chairman, Government ownership of railroads and of natural resources, are not mysterious and they do not involve insurmountable financial problems. But we could better afford to make the change at any price than to continue as we are going. Through the restriction of industry and the consequent power to fix prices of products and oppress labor the people of the United States are to-day giving up to private monopolies more than a million dollars a day at a conservative estimate. I can prove these figures. Rather than allow this enormous exploitation it would be cheaper for the Government to issue bonds and buy at once some of our major railroad systems.

The condition of nonuse of natural resources through their cornering by monopolies can be attacked as it has been attacked in England with success, as well as in Denmark and France and Germany, by a supertax upon unused land; and by land I mean all of the natural resources which are the source of energy and the raw materials of production. All of this talk, Mr. Chairman, about ameliorating conditions by economically unsound palliatives amounts to walking around in a circle. It is useless, and a growing realization of its futility is producing a demand for intelligent consideration of fundamental economic problems.

The next question, Mr. Chairman, which was asked of me was: "What do you think of the Golden Rule policy as advocated by several gentlemen and a lady who have testified before this commission?"

My answer is the Golden Rule policy simply amounts to saying that because capital has in the past controlled labor it must continue to do so, only its control is to be tempered by a Christian spirit. My opinion is that such a course does not suggest a solution.

The Golden Rule policy was as applicable to slavery as a solution as it is to the absolutism in industrial conditions which exist to-day. It was just as reasonable to hope that the increasing enlightenment and Christian spirit of the southern slaveholders would do away with the wrongs of slavery as it is to hope that manufacturers to-day by this principle will gradually come to solve the problem through individual fair treatment of their employees. When Lincoln said that no man is good enough to govern another man "without that man's consent," he did away with the Golden Rule policy once and for all. To-day no man is good enough to govern another man and fix the conditions under which he must live and work, without sitting down and compromising with that man.

Industrial absolutism, the supreme power of a few individuals over a great body of men working for them, can not, in my opinion, even be materially mitigated by the Golden Rule policy. For experience has shown over and over again inasmuch as the interest of the employing few often conflicts with the interest of the employed many, disputes arise, and when disputes arise, we have seen in Colorado, in Pennsylvania, in Calumet, Mich., in Paint Creek, W. Va., in Lawrence, Mass., in Paterson, N. J., in Carteret N. J., and in a dozen other strike points, the Golden Rule has been hung up in the closet and the Winchester repeater, loaded with buckshot, has been taken out in its stead.

This will go on indefinitely, especially as the most sincere advocates of the Golden Rule are absentee landlords, who remain utterly oblivious to the living conditions of the employees and whose only instructions to their agents at the plants are suggestions as to financial management. The utter ignorance of actual conditions in Colorado which Mr. Rockefeller has not only confessed but insisted upon is a typical instance of how those who advocate the Golden Rule also maintain an impersonal absolutism which makes the whole Golden Rule plan a tragic farce.

Mr. Rockefeller's claim that the actual management of the mines is left to the local managers may be nominally true, but it is not true in fact. It may be true that no specific orders have been issued to managers to get the last cent out of the employees. The fact remains that these managers know that they can hold their jobs only so long as they turn up an amount of profit that is satisfactory to the owners. They also know that as long as this profit is forthcoming no inquiry will be made by the owners as to how the profit is obtained. Under this system even good-hearted managers are tempted by the fear of losing their jobs to oppress the employees by forcing them to accept low wages, by robbing them of a part of the proceeds of their labor through company stores, high rents in company houses, and other devices. The cornerstone, Mr. Chairman, of this system of industrial exploitation is that the owners shall keep themselves in ignorance of the actual acts of oppression practiced by the managers in charge of the property.

That this ignorance of working conditions is an essential part of the system of exploitation is disclosed by Mr. Rockefeller's testimony both before this commission and before the congressional committee as well as by his correspondence. This shows that he was familiar with such details as the building of churches on the C. F. & I. property, the hiring of Mr. Elbert Hubbard to carry on publicity work, the retaining of Mr. Ivy Lee at \$1,000 a month, the existence of clergymen of socialistic views in the mining camps, the hiring of an automobile for imported clergymen in the mining district, and the payment of members of the militia out of the company's funds.



But as to wages and living conditions in general and especially as to the tyranny of the company over the thousands of men and women who are dependent on it, Mr. Rockefeller claims, and I believe his claim is true, that he kept himself in the most complete ignorance. In his testimony before the congressional committee he goes so far as to state that he was unaware of the existence of the slightest discontent on the part of the miners.

"Do you know," asked the chairman of the congressional investigating committee, "whether there are any grievances or any claimed by the miners out there?"

"Mr. ROCKEFELLER. By our miners? No.

"The CHAIRMAN. No grievances at all?

"Mr. ROCKEFELLER. Not that I know of."

This statement Mr. Rockefeller practically repeated in his testimony before this commission on Tuesday, January 26.

Ignorance on the part of the actual controlling interest of an industrial corporation and the delegation of full responsibility to the management at the plant, becomes an asset to business under the present system of absentee control. It works to the advantage of both Mr. Rockefeller, using him merely as an illustration, and of Mr. Welborn. For Mr. Rockefeller is protected because he can plead ignorance of actual conditions, and Mr. Welborn is protected because he can maintain that his first duty is toward the company.

This is exactly what happens not only in Colorado, but in almost every similar situation.

For instance, the strike at Carteret, N. J., is a particularly pertinent example. The Liebig and Clark & Williams plants at Carteret are subsidiaries of the American Agricultural Chemical Co., a combination incorporated under the laws of Connecticut. The chairman of the board of directors lives in Boston. The vice presidents live in New York, in New Jersey, and in Cleveland, Ohio, and the directors are scattered all over the country. One of them, Mr. A. Barton Hepburn, is a director of the Rockefeller Foundation. Last October the directors informed the local superintendent, whom I know, and whom I believe is an intelligent and decent man, that wages of the employees should be cut 20 per cent.

In January the employees decided that they could not continue to support their families on \$1.60 a day. They struck, and next day, in order to protect the property of the company 100 gunmen were sent for and sworn in as deputy sheriffs. The result of the importation of these gunmen in Jersey was practically the same as that of Mr. Welborn's importation of gunmen into the coal fields of Colorado. On the 19th of January, O'Brien's gunmen shot into a mass of unarmed strikers and kept on shooting for 15 minutes, although the strikers fled and offered no resistance. Again using Mr. Rockefeller merely as a type of absentee landlord, his innocence of knowledge of conditions upon the property gives him the privilege of appearing before the public as free from responsibility for the atrocities in Colorado as Little Eva in Uncle Tom's Cabin was guiltless of the acts of Simon Legree.

Mr. Rockefeller before your commission has again and again emphasized his appreciation of the fact that the Colorado Fuel & Iron Co. was making unsatisfactory financial returns upon his father's investment. He has demonstrated clearly his belief that his father's money under Welborn's management was not yielding enough. He says it has only paid a savings-bank percentage. Counting the actual dividends which the Rockefellers chose to take out of the company, this is technically true. But it is far from true that Mr. Welborn's management was weak in regard to the annual earnings, which were put back in the company in the form of surpluses.

Moody's Manual shows, just as Mr. Rockefeller, jr., states, that preferred dividends were not paid until 1912 and 1913, when 5 per cent and 43 per cent were declared, respectively. But it also shows that in 1910, 1911, 1912, and 1913, the company earned and carried forward as surplus over charges \$1,500,000, \$1,200,000, \$1,800,000, and 1,700,000, respectively. This is a remarkable tribute to Mr. Welborn's efficiency in getting profits out of a concern which not long ago was in a deplorable financial condition. It is also a testimonial to the business acumen of the controlling interest that chose and retained Mr. Welborn in the position of managing president and gave him a free hand to do anything he liked at the plant.

In its analysis of the Colorado Fuel & Iron Co., Moody's Manual for 1914 remarks upon its progress during the last five years in strengthening its finances and adding to its available revenues.

It continues: "The surplus which the company has recently been showing has now accumulated to such an extent that the company is in a position to pay back unpaid dividends on the preferred stock, and during the fiscal year ending last June, 43 per cent of these back dividends were paid, leaving about 29 per cent still to pay. It is probable that with another year's business equaling that of 1913 the company will have no difficulty in paying the remainder of these back dividends and will be in a position to disburse moderate payments on the large common-stock issue." As a matter of fact, the next year was a bad year, on account of the strike, and showed a deficit, instead of a surplus, of, I think, about \$800,000.

The next question that was asked me was: "What is your opinion as to the influence of large donations by the Rockefeller or other foundations on schools and universities?"

My answer, Mr. Chairman, is nothing more powerful and subtle than the influence of such donations upon institutions whose existence is largely dependent on donations.

Some years ago an arms company offered the Audubon Society of America a large annual income for a stated period for protecting birds. As I remember it was \$25,000 a year. The arms company imposed absolutely no conditions, and, in the letter offering the money, it expressly stated that it did not seek to hamper the activity of the association, although it hoped—merely hoped—that the association would not take a position hostile to repeating shotguns for the purposes of killing game.

After considerable controversy, the association decided that the feeling of gratitude which its directors would naturally have toward the arms company, and their natural desire that the donation should be continued beyond the period stated, would inevitably have a very real influence upon their future attitude. The gift was rejected, with thanks. I have since heard members of the association state very frankly that they thought they had a narrow escape from losing a considerable degree of liberty.

In spite of every good intention, we can not get away from the fact that when we accept large benefits from anybody we want to pay for them, and we also want to act so that the benefits will continue. And in this very creditable desire to pay one's way, as well as in the expectation of more benefits, in the future lies the danger to independence.

Some cynic has described gratitude as a lively sense of more favors to come.

The Rockefeller Foundation is a corporation organized under the laws of the State of New York with a charter so broad as to include almost every human activity. On the other hand, its control is absolutely a Rockefeller control. A majority of its directors are men who are or have been employed by Mr. Rockefeller, and who have publicly expressed the opinion that the Rockefeller system, as exemplified in the Colorado coal fields, is a high expression of American industrialism. The Rockefeller Foundation has an immense annual income, which will probably average about \$5,000,000. The General Education Board, whose report has just been published, is also a Rockefeller concern. Into the treasury of the board Mr. Rockefeller has paid \$53,000,000, a part of which was in bonds of the Colorado Fuel & Iron Co.

Assuming that the Rockefeller Foundation, as well as the General Education Board, may have to do with educational matters as well as investigations, I can see a grave danger in the acceptance by universities, schools, and institutions of donations upon a large scale from such sources.

Take, for example, the influence upon courses of economics in schools, colleges, and universities. Suppose a young instructor of economics were giving a course of lectures upon industrial production and the relations between capital and labor. It is natural that in his lectures he would want to go very fully into such subjects as price-fixing monopolies, the recognition of unions, collective bargaining, etc. He might analyze production under the private monopoly system and expose its dangers to consumer, to industry, and to labor. Again he might give his frank opinion of the results of absentee landlordism and of the whole structure of undemocracy and concentrated absolutism which companies like the C. F. & I. and the United States Steel Corporation have inaugurated and successfully maintained throughout their plants.

Now, what I say is this: The gratitude which the faculty and trustees of a university ought to feel to an instructor who showed the students the utter unsoundness of production under a system of absolutism might seriously con-



flict with the gratitude which they could not but feel toward those whose gifts were making the university prosperous and useful.

I say that this instructor who treated with frankness and intelligence the economic system for which the directors of the educational board and the foundation stand would find himself in a peculiar position. He would gradually realize that, somehow or other, through nobody's fault perhaps, there had arisen a feeling of strain, or at least, a lack of sympathy between himself and the members of the faculty and the trustees, whose duty it was to care for the university's financial well-being. Soon or later he would become convinced that full appreciation of his efforts in this particular college or university had been rendered exceedingly improbable. His chances of a Sabbatical year, the acceptance by the university of his lecture courses as textbooks, the probability that he would be sent to represent the university at important conferences—these and many other things would seem to have become more remote, because he had committed the error of preaching a doctrine hostile to the sources from which the university had drawn and probably would continue to draw large and necessary sums of money.

Mr. Chairman, I speak advisedly and after some inquiry when I say that the smaller colleges of this country are full of instructors and professors who have not been deliberately driven from larger universities on account of economic opinions unfriendly to benevolent exploiters in industry, but who nevertheless have found their chairs in the large universities untenable, and have left them owing to influences which were irresistible but too subtle to complain about aloud.

I do not say that this has been anything in the nature of a conspiracy on the part of the interests who give millions, but the ever-present and powerful spirit of acquisition, which is an integral part of the consciousness of our monopolistic combinations, has moved instinctively along logical, self-protective lines.

In 1815, when Metternich saddled Austria, Prussia, and Bavaria with a system of feudal absolutism, his powerful weapon against the spread of what he called "revolutionary ideas" was control of education by vigilant censorship of universities. The decree of the conference at Carlsbad provided that this censorship, and now I quote, "without directly interfering with scientific matters, should give salutary direction to instruction, having in view the future attitude of the students." Thus Metternich guided the thought of the rising generation so that the young men who graduated from universities should be free from the taint of democracy.

The Rockefeller Foundation and the education board are doing to-day, less openly but quite as effectively, what Metternich did in 1815. They are providing to the best of their ability, conscientiously if you will but none the less effectively, that our young men in the course of their education shall gain as little understanding as possible of the problems of industrial democracy. To-day, Mr. Chairman, our universities are teaching practically nothing in the realm of up-to-date economics. To-day they choose to deal with issues which are dust-dry, which are dead, and have already passed into the region of history.

But we need not go back to 1815 to find examples of the control of thought by influence exerted over educational institutions. The militarist movement in Germany offers a still more vivid illustration. For 20 years official Germany has been instilling into the people the necessity for a world-wide extension of German institutions. The writings of von Bernhardi and Treitschke carry one message, and that message is the duty of exercising power that rests upon those who are fit for power. That is the bottom of militarism—of a doctrine utterly and diametrically opposed to democracy. In order to carry forward the militarist gospel so that Germany would accept the theory that it was her destiny to impose German kultur upon the world, with a powerful but benevolent hand, the Government directed its attention toward the universities. It saw to it that the men who held the principal chairs of economics and history should be in sympathy with its policy.

When we read of the expenditure of \$57,000,000 by the General Education Board, when we think of the annual expenditure of \$5,000,000 by the Rockefeller Foundation, our minds irresistibly compare the probable results of this, in its relation to things industrial, with the known results of the activities of Metternich and of the German militarists in the field of things political.

A few days ago, Prof. Ross, of Wisconsin, speaking of our great foundations, said: "Thousands of experiences have shown the tendency of boards to ad-

minister a charitable foundation in a narrow or class spirit or according to obsolete ideas or exploded theories."

Chairman WALSH. At this point we will adjourn until Monday morning at 10 o'clock. I desire to announce that, on account of the other uses to which these two rooms in this building will be put so incessantly during the coming week, the further hearings of the commission will take place at the Metropolitan Building, No. 1 Madison Avenue, in the assembly hall, on the eleventh floor. We will adjourn to meet at the Metropolitan Building at 10 o'clock Monday morning.

(Thereupon, at 1.05 o'clock p. m., on this Saturday, January 30, 1915, an adjournment was taken until 10 o'clock Monday morning, February 1, 1915, to meet in the assembly hall in the Metropolitan Building, New York City.)

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NEW YORK CITY, February 1, 1915—10 a. m.

Present: Chairman Walsh, Commissioners O'Connell, Lennon, Harriman, Ballard, Weinstock, Garretson, and Commons.

Chairman WALSH. The house will please be in order. We will proceed now. Mr. Pinchot, will you please resume the stand?

#### TESTIMONY OF MR. AMOS PINCHOT—Continued.

Chairman WALSH. You may proceed now.

Mr. PINCHOT. When I stopped reading on Saturday, Mr. Chairman, I was quoting the statement of Prof. Ross, of Wisconsin, which he made last week—I think it was the early part of last week—in regard to the Rockefeller and other foundations. He said:

"Thousands of experiences have shown the tendencies of boards to administer a charitable foundation in a narrow or class spirit or according to obsolete ideas or exploded theories. To make these foundations safe, the whole basis of control should be changed."

That is the end of his quotation. [Reading:]

"It seems to me that, if these great foundations are allowed to exist, one of the problems of this commission is to suggest a means of control which will, to some extent, insure their being used in the interest of the public and in accordance with democratic principles."

The next question which was asked me by the commission was: "What suggestion can you make looking toward the more peaceful settlement of industrial disputes?"

My answer is: There are many things which can be done to facilitate a more equitable adjustment of the questions arising between capital and labor. I have mentioned collective bargaining as a fundamental principle which is to be insisted on at this time. Discontinuance by the operators of the practice of using irresponsible private armies will also help.

But there is one matter which seems to me of immense importance. Labor should be able to feel that its side of the controversy will be fully and fairly treated in the public press.

In my opinion there is no one element, not even the attitude of the often isolated and ignorant controllers of industrial corporations, which gives labor a feeling of such helplessness and bitterness as its knowledge that the merits of its side of the question will not be presented to the public through the press. When I speak of the press, I refer to the newspapers in general, and particularly to one of the great news associations, whose business it is to furnish information to the newspapers.

There are two major news furnishing associations—the Associated Press and the United Press. The former sells news chiefly to morning newspapers, the latter to evening papers. The United Press is conducted by a group of younger men who have a broader attitude toward industrial questions, and who usually give fair treatment to both sides in their reports of conflicts between labor and capital, but the Associated Press, under older and more conservative management, take affirmatively the side of capital.

I was informed by a representative citizen of Colorado, himself a newspaper man of high standing and a subscriber to the Associated Press, that the failure of the Associated Press to carry news impartially in the labor troubles was a serious element in giving the strikers the feeling that they could not hope for justice.



Last year in the strike which occurred in the soft-coal districts of West Virginia the Associated Press gave characteristic evidence of its partiality to the operators side of the case. I will mention one instance, which is typical.

Early in February an armored train, later described in the testimony before the Senate investigating commission as the "Death Special," was run during the night through the tent colony of strikers at Holly Grove, W. Va. It was 10 o'clock, and the miners were just going to bed, when suddenly the armored train poured a heavy fire from rifles and machine guns into the tents with fatal effects. I quote now from the testimony of Lee Calvin before the Senate committee. He was on the armored train in the capacity of a guard and at the invitation of the sheriff of the county. He says:

"It came down to Charleston for us and we got on the train, about 9 or maybe 10, some where around there, and went on up to Paint Creek, \* \* \* and I was leaning out of the window that way [indicating] and they commenced streaming fire out of the baggage car—you know—flashes, reports, and cracks from the machine gun at a lot of tents, and the train went along with a stream of fire, which continued coming out of the Gatling gun all along."

That is the end of the part of the testimony of Mr. Calvin that I have quoted.

Commissioner WEINSTOCK: The testimony presented where?

Mr. PINCHOT. Before the committee of the Senate of the investigation of the strike in Michigan [West Virginia] in what they called the Calumet & Hecla group of mines. [Mr. Pinchot corrects this reference below.]

Mrs. Estep, one of the miner's wives, who with her husband and family was going to bed at the time shooting began, described the incident as follows:

"We heard the train come shooting, and he hollered for us to go to the cellar, and he (her husband) went out the front door. Him and some more boys that were in there, they ran out of the front door and I went through the kitchen, and I never got any farther than the kitchen door. We were all trying to get to the cellar. He was standing right at the corner of the cellar near the kitchen door where I was standing, hollering for me to go and get into the cellar."

That is the end of the quotation. At this point her husband was killed and some members of her family were wounded. The whole matter was fully covered by the investigation, and the accuracy of the evidence of both Calvin and Mrs. Estep was fully established.

An examination of 12 leading papers carrying Associated Press dispatches shows that the Associated Press reported the matter as if the miners had made an unwarranted attack upon a passenger train. I quote from one Associated Press dispatch in the Los Angeles Times:

"The first serious outbreak in over a month occurred Friday (the 7th) when a passenger train was fired on. Mucklow was riddled with bullets and a number of persons shot down."

The commission can find this in the Los Angeles Times, Associated Press dispatch for February 11, 1913, page 1, column 1.

I also desire to call the commission's attention to another typical instance of suppression and perversion of news by the Associated Press in regard to labor troubles.

In December, 1913, a great strike was in progress in the copper mines of Michigan.

I would like to correct what I said a moment ago. You asked me where the testimony appeared concerning the Mucklow incident, and I said it appeared in the investigation before the Senate committee that investigated the Michigan strike. I was speaking of the West Virginia strike, of course. The word "Michigan" was a mistake.

Commissioner WEINSTOCK. I see.

Mr. PINCHOT. On December 26, Charles H. Moyer, president of the Western Federation of Miners, was kidnaped from his hotel and shot in the back by a committee of citizens representing the mine operators. Moyer's account of the shooting, which was substantiated by the evidence before the congressional investigating committee—this was not a senatorial committee at this time; it was a committee of the House which Congressman McDonald instigated—is as follows:

"I had taken down the telephone receiver to telephone a friend when the mob entered the room. They shouted, 'Where is Moyer?' I turned around and told them I was Moyer. Then they attacked me. I was struck on the head with an automatic revolver. I was leaning forward, and the man with the revolver stood over me. When he hit my head the revolver exploded and the

bullet entered my back. Then the crowd began to go mad. I was dragged from the room, down the stairs, and out into the street. Frequent changes were made of the men dragging me along, when two had exhausted themselves in kicking me in the back and beating me, two others would grab my arms and begin upon me anew. This kept up until we reached the Houghton depot. The mob kept shouting 'Kill him! Hang him! Throw him into the lake!'

Moyer was then put on the train. He found himself in charge of guards, who he says had instructions to kill him if he tried to get off. The Associated Press's account of this, as sent out under the date of December 26 and published in the Chicago Record-Herald on December 27, page 4, is as follows:

"Charles H. Moyer, president of the Western Federation of Miners, was put on a train and sent out of the copper country strike district to-night. It is believed he will go to Chicago. Moyer, it is said, refused to make a retraction satisfactory to the committee. A short time later he and John Tanner, an organizer of the Western Federation, were observed on a street car going from Hancock to Houghton. Just across the bridge connecting the two towns, and about 400 feet from the structure, is the depot of the copper-range railroad. There it was noticed that Moyer and his companion boarded a train bound for Chicago. They were accompanied by three men who seemed to be guarding them, although there was no visible demonstration of force or coercion."

That is the account which the Associated Press sent out of the shooting and the deportation of Moyer.

Both in the West Virginia and Michigan strikes the Associated Press grossly misrepresented the real condition of affairs. This was due in part to the fact that in West Virginia it got its information from a man identified with the coal companies, while in Michigan, during a large part of the strike, the Associated Press received its information from two newspaper offices controlled by the mine operators. They had no man there of their own during a large part of the strike, but got their information from two newspaper offices which belonged to the mine operators. But whatever the machinery may have been through which suppression and misrepresentation occurred, the fact remains that it did occur, and that it resulted in blinding the public to the actual facts until congressional investigations brought them out. It also produced, upon the part of the strikers, a feeling of intense and natural bitterness, and a belief that the merits of their cause would never be fully brought before the American people.

I have quoted this, showing these dispatches, because I think they represent cases that are typical, because most of the cases of misrepresentation and suppression have been less easy to demonstrate. But these two cases are so plain that I thought they ought to be in the record. And with regard to that I would like to say, Mr. Chairman, that in all probability the testimony which I give in regard to the Associated Press will not be carried throughout the country by the Associated Press wires. There is a rule, which I believe is contained in the by-laws of the Associated Press, that any newspaper editor, people that subscribe to the Associated Press, will be disciplined if he prints as news in his paper matter that is deemed derogatory to the Associated Press.

I believe that it is of the highest importance that an investigation should be conducted by this commission or some similar body into the handling of news in labor controversies. The influence of public opinion can only be justly exerted when the public is put in possession of the facts.

The next question which the commission asked me was: "Do you believe that the solution to industrial troubles is through the Government taking a larger part in industrial life?"

My answer is: I do not believe that either the city, the State, or the Federal Government should go into industrial production. Industrial production should be conducted by private concerns. I believe in competition in industry. I do not hold with either monopolist or socialist, for both advocate the elimination of competition in industry. In order to have competition in industry, which spells efficiency, we must make transportation and the raw materials which are the basis of industry accessible to all on equal terms. That is why I advocate Government ownership of railroads and Government ownership of natural resources, with a leasing system such as is now in practice with regard to water power on Federal property. That is all.

Chairman WALSH. I notice, Mr. Pinchot, that the rule that you say the Associated Press has does not appear in the written answers. Will you repeat that rule?



Mr. PINCHOT. I could not repeat it verbatim, Mr. Chairman, but there is a rule that the members of the Associated Press, the newspapers which belong to the Associated Press throughout the country, are subject to discipline and the loss of the Associated Press franchise if they publish matter which the Associated Press governors, directors, deem to be derogatory or unjustifiable.

Chairman WALSH. Well, has that rule been admitted by the Associated Press any place?

Mr. PINCHOT. It has.

Chairman WALSH. Is there a record of it?

Mr. PINCHOT. I know of members of the Associated Press who have been disciplined. Mr. Medill McCormick, who was part owner of the Chicago Tribune, was disciplined for publishing matter in the Associated Press which the governors of the Associated Press deemed derogatory.

Chairman WALSH. What character of matter was it?

Mr. PINCHOT. I do not remember the particular case, Mr. Chairman. It is some time since Mr. McCormick described the incident to me.

Chairman WALSH. Has there been a public record made any place in any investigation in which the rule of the Associated Press has been set out?

Mr. PINCHOT. Yes, Mr. Chairman, there is. Last year Mr. Shearn, now Justice Shearn, was counsel for the New York Sun in the complaint which was laid before the Department of Justice in Washington, and that complaint, which Mr. Shearn handed in in the form of a written brief, contains the matter which you speak of.

Chairman WALSH. Would you be kind enough, inasmuch as you have referred to it, to ascertain where it can be obtained and, if possible, submit it to the commission?

Mr. PINCHOT. I have one copy myself, which I will submit to you, sir.

Chairman WALSH. Very good.

(A pamphlet entitled "The Freedom of the Press from Unlawful Restraints and Monopoly," in the matter of the complaint of the Sun Printing & Publishing Association against the Associated Press, being a statement of facts addressed to the Hon. James C. McReynolds, Attorney General of the United States, was subsequently submitted by Mr. Pinchot in printed form.)

Chairman WALSH. That is all. You will be permanently excused. We are very much obliged to you for your attendance.

Mr. PINCHOT. Thank you, sir.

Chairman WALSH. Mr. James MacKaye.

#### TESTIMONY OF MR. JAMES MacKAYE.

Chairman WALSH. The house will please be in perfect order—the entire house. We can not proceed until all discussion at the end of the hall is ended and there is perfect quiet.

Please state your name.

Mr. MacKAYE. James MacKaye.

Chairman WALSH. What is your business, Mr. MacKaye?

Mr. MacKAYE. Engineer.

Chairman WALSH. What sort of engineer?

Mr. MacKAYE. Chemical engineer.

Chairman WALSH. Chemical engineer?

Mr. MacKAYE. Yes.

Chairman WALSH. Where do you reside?

Mr. MacKAYE. Cambridge, Mass.

Chairman WALSH. How long have you lived at Cambridge, Mass.?

Mr. MacKAYE. About 20 years.

Chairman WALSH. I wish you would state definitely what branch of that profession you have practiced—that is, in what line and what your work has been, say, for the past 10 years.

Mr. MacKAYE. It has been in the investigation and development of industrial chemical processes.

Chairman WALSH. Now, please explain fully the nature of it, where you do your work, and the general character of it.

Mr. MacKAYE. The work is done largely in the laboratory or laboratories, and where investigations are required we, of course, use reference books, etc. Most of the work is carried on in the laboratory.

Chairman WALSH. Aside from your laboratory work, have you made any study of industrial problems?

Mr. MacKAYE. I have.

Chairman WALSH. Please state what study you have made, how extensive it has been along that line?

Mr. MacKAYE. It has been mostly in the nature of reading about them, and making an attempt to apply the engineering method to them.

Chairman WALSH. Please state with what concerns you have been connected, and what industries you have done engineering work for in the strict line of your profession.

Mr. MacKAYE. Practically all of the time with the firm of Stone & Webster.

Chairman WALSH. What is their business?

Mr. MacKAYE. Engineering in general, mostly electrical engineering.

Chairman WALSH. For what concerns do they do work?

Mr. MacKAYE. Well, so many different ones that it would be difficult to enumerate them, but I could give you a book that enumerates them—there are 60 or 70 under their control.

Chairman WALSH. In order that we may get a little better opinion during this testimony, please state what the large concerns are, whether they are transportation companies throughout the United States, and control, if any, that the concern has over those.

Mr. MacKAYE. They are connected largely with water power. They are popularly classed as one of the members of the so-called water-power trust, I suppose. Their largest concern in that line is at Keokuk, Iowa, where they have dammed the Mississippi River. They have large electrical interests in Oregon, Washington, Florida, Georgia, Massachusetts, Texas, and other States. They are interested particularly in electrical properties, transportation, lighting, and power; but, of course, Mr. Chairman, I am not here as their representative, you understand.

Chairman WALSH. I understand that.

Mr. MacKAYE. It is entirely in my individual capacity that I am here.

Chairman WALSH. I understand; but we would like to get the information gained by your experience, and the access that you have had to institutions that might stimulate your research along those lines personally, and that might give you the experience.

Mr. MacKAYE. I do not think that anything I have to say can acquire authority from any of their operations. With the management of such operations I have had nothing to do, as my capacity is entirely technical.

Chairman WALSH. Have you, as a result of your study, worked out a constructive plan, deemed by you to be of value in connection with the labor policies and methods of large corporations?

Mr. MacKAYE. I have a plan that would be along that general line.

Chairman WALSH. Will you please explain this plan to the commission?

Mr. MacKAYE. With your permission I will read the plan, because it is rather specific.

Chairman WALSH. Very good; please do so.

Mr. MacKAYE (reading):

#### SUGGESTION OF A METHOD FOR THE IMPROVEMENT OF INDUSTRIAL RELATIONS THROUGH COMPETITION BY PUBLICLY CONTROLLED COMPETITORS.

The method outlined herein for regulating industrial relations between employers, employees, and the public is applicable to all large-scale competitive industries, and may be extended to public monopolies. To determine its efficacy experimentally it should preferably be applied simultaneously in several industries of widely differing types, although much could be learned from its application to a single industry. Such an isolated experiment, however, would deprive the method of the advantageous interindustrial relations which are a proper part of it.

The method in brief is to establish, in all lines of industry to be regulated, competing and self-supporting industries, chartered by the Federal Government, and operating under regulations adapted to secure the greatest possible benefit to producers and consumers, these industries to be a means of establishing standards by which competing industries may be judged, and to which, if desired, they may be made to conform, either by extending sufficiently the competition of standard industries or by prescribing by law standard conditions of competition.

The method involves the following features, subject to such modification and extension as experience may suggest:



The appointment by the President of a commission to assume general charge of the work.

The creation by the commission, in each line of industry which they may select for regulation, of at least one large scale standard establishment or enterprise. In establishing these enterprises the commission should have the benefit of such expert advice as they may deem well to secure.

The appointment by the commission of proper officers to carry on the affairs of each such establishment, including a treasurer, a works manager, and a sales manager, or their equivalents.

The charter of each such establishment to be in the name of the officers specified as charter grantees.

The issue by the United States of bonds in amounts to be determined by the commission, subject to the control of Congress, sufficient to finance each of said enterprises.

The operation of each standard unit of industry should be open to inspection and study by the commission, and subject to the following 10 conditions of control:

(1) The fixing of minimum wages and salaries of operatives, including those of the grantees, either by a statistical board or expert of the Bureau of Labor or by the commission. The wages and salaries so fixed to be those current in the given industry for the same class of service, and to be varied only as said current wages and salaries vary.

(2) The fixing of maximum prices by the same or a corresponding board or expert or by the commission, said prices to be those current in the given industry for the same classes of product or service, and to be varied only as may be necessary to maintain competition.

(3) The prescription and enforcement by the commission of regulations fixing standards of products or service in each establishment.

(4) The prescription by the commission of regulations relative to safety, sanitation, and working conditions in general throughout each establishment.

(5) Probably, but not necessarily, the prescription by the commission of regulations governing the employment, promotion, and discharge of operatives, constituting a sort of civil-service system.

(6) The establishment of reserves for contingencies for the purpose of preventing excessive fluctuations of operating and maintenance expenditures.

(7) The establishment of mutual reserve deficit insurance between the several standard establishments to prevent the occurrence or minimize the amount of deficits resulting from causes beyond the control of the grantees.

(8) The establishment of mutual facilities for the transfer of operatives between the several standard establishments to prevent or minimize the discharge of competent operatives through unavoidable fluctuations in the demand for their services.

(9) The payment into the Treasury of the United States by each establishment, at the close of each fiscal year, of 6 per cent of its bonded indebtedness to meet interest and sinking-fund charges.

(10)—

This is the most important section, Mr. Chairman—

The division (either equal or in some other definite proportion) at the close of each fiscal year of any surplus, after all charges have been met, between the operatives of the establishment, including the grantees, and the customers thereof; each operative to receive a share of the operatives' allotment proportionate to his wage or salary, and each customer a share of the customers' allotment, proportionate to his purchases, during the fiscal year in question.

The advantages of the establishment of such standard industries are of three kinds—advantages of operation, of regulation, and of information.

The principal advantages in operation would be as follows:

Capital is procurable at a low rate of interest.

Thorough inspection by the commission of books, operations, products, and services is possible, subject to no harassing restrictions.

There is no conflict of interest between employers in the persons of the grantees and other operatives, because, in the first place, all have a common economic interest in making the surplus in each establishment as large as possible, and, in the second place, because the fixation of wages is removed from the control of the grantees.

There is no conflict of interest between producer and consumer in any matter affectable by the former, because, in the first place, they have a common economic interest in making the surplus in each establishment as large as possible,

and, in the second place, because the fixation of prices, as of wages, is removed from the control of the grantees, leaving to them the sole function of directing the purely productive and distributive operations of the establishment.

The principle illustrated in the foregoing plan as modified particularly by conditions 1, 2, and 3 providing for control of production and sale by interested persons (the charter grantees) and the control of wages, prices, and quality of products by different and disinterested persons, I call the principle of divided economic function, because it divides these several functions of conducting industry (which under the present system are combined) in a manner essential to harmonious industrial relations.

The principle illustrated in condition 10 providing for the division of the annual surplus between producers and consumers I call the principle of conditional or proportional compensation, because it renders the compensation of the producer conditional upon and proportional to the service he renders the consumer.

By the adoption of these two principles the industrial relations which are most potent in producing the difficulties of modern industry—the relations which create the labor problem on the one hand and accentuate the problems of high prices on the other—are reversed. In place of a conflict is substituted an identity of interest of all parties concerned. Employer and employee pull together, because they have a common, substantial, and proportional interest in the efficient conduct of industry, and producer and consumer pull together for the same reason, since the method of organization so operates that, with given current wages and prices, the lower the actual price the higher the actual wage. Thus in place of the conflict inherent in the present industrial relations of the community, the method proposed substitutes not the neutral or indifferent relation characteristic of ordinary public operation but a relation actively reverse to that of conflict. By these devices the ordinary incentive of economic gain is made to result in an identity instead of an antagonism of interest throughout the community, and the way becomes open to combine the advantages and avoid the disadvantages of both the private and public methods of conducting economic operations and to convert the irrepressible conflicts of modern industry into equally irrepressible harmonies.

The principal advantages in regulation would be as follows:

The regulation would be through competition, and hence would have the advantages of that oldest and most natural form of regulation, a form which has operated since prehistoric times and is still in operation, though modified in considerable degree in modern industrial nations. The main advantage of the competitive form of regulation is that it is not arbitrary and tends to a natural equilibrium of industry through the law of supply and demand.

But competition, though having this advantage, has certain great disadvantages which can be eliminated by imposing proper restrictions, such as minimum wages, maximum hours of labor, safe and sanitary conditions of employment, and penalties for adulteration, misbranding, wasteful exploitation of natural resources, etc.

Such restrictions upon competition could, under the system proposed, be made uniform, applying to all units of an industry alike; that is, the competition could be made fair, the Government imposing no restrictions on any competitors of a charter grantee not imposed upon the grantee also, so that all would stand upon the same footing in these respects.

If it be objected that on account of certain advantages enjoyed by the charter grantees in virtue of their Government backing and their methods of operation the competition would not be fair to other operators not enjoying these advantages, the reply is that if, by means of the advantages cited, the charter grantees can serve the public interest better than their competitors, then to forbid their competition would be unfair to the public, since the public is entitled to the best and most efficient service it is possible to give it. Any other standard of fair competition is based on the view that the public exists for the benefit of industry, not industry for the benefit of the public.

By imposing restrictions thus uniformly the effect of the same upon industry could be directly observed in the units of industry operated by the charter grantees and thus the reasonableness or otherwise of the restrictions properly gauged. The justice of the complaints of those subject to restrictive industrial legislation could thus be estimated at its true value and modifications made accordingly.

Compared with other methods of regulation, particularly the common method of regulation by litigation practiced under the Sherman Law, the method proposed should be exceedingly cheap, because the charter grantees are self-sup-



porting. Of course, it is conceivable that during some time of widespread and long-continued depression in industry, even deficit insurance would not prevent the occurrence of deficits in the business of the charter grantees, and thus the Government would become a loser through being the creditor of bankrupt concerns. But it is far more likely that during such times the establishments of the charter grantees not being subject to the disease known as "the timidity of capital," would tend to steady industry in general and thus forestall, or at least diminish, the severity of depressions. If sufficiently extended they would certainly have this effect.

There are, however, plenty of precedents for the risk of public money in order to perform a public service. The money invested in the Panama Canal, the Federal reclamation projects, and the Alaskan Railroad are examples. Forty-odd years ago the Government even issued loans to privately owned enterprises—the Central and Union Pacific Railroads—on the same principle. At any rate the method of regulation proposed merely substitutes a risk for a certainty of expense, since the adoption of alternative methods does not offer even the possibility of self-supporting regulation.

The advantages accruing from increased information would be the most important of all—some of the principal being as follows:

First-hand and detailed knowledge could be acquired of various factors in industry and their effect upon the welfare of both producers and consumers. Among them may be mentioned the effect of properly directed incentives, the working of efficiency schemes, such as those of scientific management under conditional compensation, the relation between size of unit and efficiency in various industries, the part played in efficiency by industrial training, the advantages of separating financial and certain other functions from productive functions in industry, the extent to which conditional compensation renders efficiency automatic, etc.

Under the conditions proposed it would be possible for the first time to fairly test a rule that, in theory, is supposed to guide the economic conduct of nations, but which can not be applied on any extensive scale for lack of data. I refer to the rule that whatever economic function in a nation can be performed best by the public should be assumed by the public, while whatever functions can be performed best by private enterprise should be left to private control. In order that this rule can be used we must have in the first place tests of what is "best" that shall include all aspects of the public interest, and shall not mean merely what is cheapest; and in the second place we must have a means of comparing the two modes of operation on even terms. Such a comparison can be made by causing public and private methods of operation to compete with one another under prescribed conditions of fair competition—an experiment not hitherto attempted on an extended scale.

The running ability of two men can not be compared if one runs on a track in running togs while the other runs in a crowded street carrying a heavy bag. No more can the ability to serve the public of two methods of operation be compared when the conditions under which they operate are not comparable. In the one case as in the other the competitors must be subject to the same restrictions or the result will not be conclusive.

Operation by charter grantees under the conditions specified has all the characteristics of the best present methods of public operation, except that it includes the devices of divided function and conditional compensation; devices adapted to remedy the inadequate incentive of public, and the misdirected incentive of private, operations.

Thus public operation at its best and private operation at its best could be compared on equal terms in a great variety of industries over a term of years sufficiently extended to give conclusive results. The two methods of operation should be tested by a variety of tests, including the relative success of the two methods in securing low prices, good quality of products, high wages, favorable working conditions, and efficiency generally, security of employment, progressiveness, economical use of natural resources, freedom from political corruption, development of good citizenship in operatives and other results representing the various aspects of the public interest.

By careful study and experiment along these lines, modifications in procedure being made as experience indicated the wisdom thereof, a body of knowledge could be secured which would enable the nation to find its way out of the economic wilderness in which it is wandering, and to deliberately adopt the method found to be best as a means of satisfying the material requirements of the people. It is not too much to hope that the practical abolition of poverty

itself would eventually result from such a course of investigation, for, in the present condition of applied science, such a goal is not an unreasonable one to seek.

Research in the direction and by the means indicated, is likely to lead within a few years to one or the other of two national policies: Either a system of regulation in which competition will be maintained on a beneficent basis throughout industry, through the competition of merger-proof standard units of industry backed by the public; or to a gradual displacement of private operation in those industries least adapted to private operation, and their replacement by public industry. As to which of these results is the more likely to occur we can not at present definitely say. The evidence now available is not conclusive; but so far as I am able to estimate it the second result appears somewhat the more probable of the two.

Indeed, it seems rather likely that should the policy suggested be adopted by the United States, the present economic system would gradually develop into a central group of great nationalized industries, surrounded by a zone of regulated private industry, probably destined to dwindle relatively if not absolutely. At any rate, whatever system resulted from such a policy, it would not be founded on the dreams of Utopians or the dogmas of doctrinaires. It would be based, not on any theory, but on the carefully studied experiences of a nation which first takes deliberate steps to secure the evidence and then follows it; adopting the socialistic or democratic method of conducting industry where it is found to be best, and not adopting it where it is not found to be best. The test of actual practice deciding in each case whether the people shall attend to their own business or let private parties attend to it for them.

Chairman WALSH. Did you have any questions to ask, Commissioner Weinstock?

Commissioner WEINSTOCK. No.

Commissioner O'CONNELL. What did you mean by the private parties?

Mr. MACKEYE. I meant parties who are not responsible to the public through any machinery of democracy, such as the President of the United States, for instance, is responsible. I referred to directors of corporations, railroad or otherwise, and persons in like positions.

Chairman WALSH. I just have a few question that I would like to ask you about one or two points. You say that the study might be made of the manner of conducting industrial enterprises by the public and by private activity. Are there any such conditions existing in the United States to-day? Are there any industries so closely connected, geographically, as to the work of the industry itself, that the study could be made at the present time?

Mr. MACKEYE. It could not be made on even terms so far as I am informed by any comparison now possible. Approximate results might be obtained, but nothing that would be conclusive.

Chairman WALSH. Well, now, then, what would have to be done according to your idea, before conditions could be made for such a study, and would the whole plan have to be put in operation?

Mr. MACKEYE. No; it could be applied in one or in a few industries.

Chairman WALSH. For instance?

Mr. MACKEYE. I submitted to Mr. Manly, for submission to the commission, a plan specifically adapted to the Alaskan situation, in which these general methods are applied to the competition in the coal-mining industry in Alaska, and to the public monopoly in the Alaskan Railroad. This will indicate where a beginning might be made. But, of course, it might be made in other place also. Alaska, however, would appear to be a particularly favorable situation because of the control that the Government already has there.

Chairman WALSH. Have you observed an operation of the municipally owned street railways in the city of San Francisco?

Mr. MACKEYE. I have read the report issued by the Government on that matter, but I have not observed it directly.

Chairman WALSH. What reason would there be why the study could not be made in a situation of that kind, where a reasonably large mileage of street railway, urban transportation, was in the hands of the municipality, while a very large amount was still in the hands of private ownership?

Mr. MACKEYE. An approximate comparison could be made. But I think that in the case of railroads that are adapted particularly to private monopoly the opportunity for comparison by competition would not be as good as in a mining or manufacturing industry.



Chairman WALSH. Is there no instance that your attention has been called to in the United States in those industries where a comparative study might be made with any benefit to the Government?

Mr. MACKAYE. Some specific instances which would be particularly favorable?

Chairman WALSH. Yes, sir; and the study approximately favorable where the proper deductions have been made.

Mr. MACKAYE. I think that the best place would be in the coal-mining industry; but this is not a very carefully considered judgment, as I have not studied that particular matter very much.

Chairman WALSH. I note that you speak that there was a great variety of industries in which the plan could be readily worked out, and I thought I might ask you to state in a general way what those industries were and if your plan, for instance, could be put into operation aside from mining.

Mr. MACKAYE. I think it could be put in operation in any large-scale manufacturing or mining industry, and by the proper modifications could be applied to agriculture. Of course, it can always be applied to transportation systems and to public monopolies in general.

Chairman WALSH. You, I believe, have turned over to us a more elaborate consideration and statement of your plans?

Mr. MACKAYE. There is a more specifically stated plan in the printed copy of the Alaskan bill, which I have just referred to.

Chairman WALSH. And is that the matter that you have turned over to the commission? It came up on Saturday and I did not have a chance to personally examine it, and I do not know that the other commissioners have.

Mr. MACKAYE. That is the matter; yes, sir.

Chairman WALSH. Now please describe in a general way what that is that you turned over to the commission.

Mr. MACKAYE. It is the application of the general plan, which I have just read to you, to the Alaskan Railroad and to the mining of coal in Alaska.

Chairman WALSH. Would you kindly pass me that paper. [Paper handed to the chairman.] I will ask you first, in your opinion, what changes in legislation would have to be made to put such a general plan in operation in the United States?

Mr. MACKAYE. General plan?

Chairman WALSH. Yes.

Mr. MACKAYE. A general plan would have to follow—it would seem to me it would have to follow the application of the plan to certain specific instances, in order to see how it would operate. In other words, it should go through a preliminary stage.

A bill along the general lines of the Alaskan bill, applied to the railways in Alaska and the coal mines there, could be made to apply to any industry, only it would require a little modification, perhaps, in the financial handling of it, because in Alaska the Government already owns the land and the railway and would not have to purchase from private parties. This would not be the case where the plan was applied to many other industries where the Government would have to establish enterprises much as any private financier would do—only, of course, the Government could get capital at a lower rate than the financier.

Chairman WALSH. Have you made a study of the existing conditions in any industry in the United States so the plan might reasonably be expected to be put in operation without any change in the organic law of the State or Nation? For instance, your first suggestion was the appointment by the President of a commission to assume general charge of the work; that would require legislation, and does your plan as a whole contemplate any work to be done by this commission that would need any specific power from the people, in the way of a constitutional amendment, for instance?

Mr. MACKAYE. I am not lawyer enough to say just how that would be, in the case of the different industries, but I should say that if the Constitution permitted the present ship-purchase bill, permitted the Government to operate a coal mine, as I understand it does in Minnesota, and permitted it to operate other public utilities, such as the Alaskan Railroad, that it probably would permit it to operate almost any industry; but, of course, just what is constitutional and what is not can not be known, I suppose, until the Supreme Court has said something about it, and then perhaps it is not known.

Chairman WALSH. To start it, for instance, suppose an effort was made on the part of the Government to start in to-day to put the plan in operation, the first thing would be to at least consider those legal questions?

Mr. MACKEYE. Yes, sir.

Chairman WALSH. Of course, we do not know what the Supreme Court is going to decide, but there is an assumption that we are governmentally operating under both constitutional and common law, and perhaps an investigation might be made along those lines—the interpretation of our present laws that would give us at least an idea of whether we could do it; so the first approach would have to be thoughtfully studied out—a carefully studied out investigation as to the legal aspects of it?

Mr. MACKEYE. You would need the advice of lawyers to see just how to do it, of course.

Chairman WALSH. Have you any definite thought as to the creation of this commission, as to how it should be constituted, as to the particular lines it should work upon at once?

Mr. MACKEYE. I have not thought about how it should be constituted; I have not got as far as that. It should be composed of persons competent to study these particular matters, and the first thing it should do would be to make investigations along legal and other lines and to discover what industries it would be best to start experimentation upon.

Chairman WALSH. So that its first work would be of an investigatorial character almost exclusively?

Mr. MACKEYE. Yes, sir.

Chairman WALSH. Would it require a very broad field of investigation? Have you given thought to how much work there would be to prepare the ground in investigating both the plan and the legal aspects that might be given it?

Mr. MACKEYE. I do not know just how to measure the amount of work that would be required. I do not know that I can give any definite idea. You can see yourself, as well as I, from my general description what would be required.

Chairman WALSH. Approximately. Is this a matter where the approach, we will say, to the beginning of definite work upon the plan would be a matter of months or a matter of years?

Mr. MACKEYE. I should think, if the commission would proceed diligently, it would be not more than six months or a year at the most.

Chairman WALSH. That is all, Mr. MacKaye; thank you.

Commissioner WEINSTOCK. Just a moment, please. I would like to ask a question.

Are you a Socialist, Mr. MacKaye?

Mr. MACKEYE. I call myself one.

Chairman WALSH. Commissioner Garretson wants to ask a question.

Commissioner GARRETSON. From your own consideration of this question, Mr. MacKaye, has it seemed to you that, provided the enterprises—semiprivate enterprises, which the Government has of various kinds in its history embarked upon—that what would be required would be special legislation in each instance of a permissive character rather than mandatory—that that is what would be necessary?

Mr. MACKEYE. In this case it would be mandatory from the commission, that is, they would have to establish these enterprises.

Commissioner GARRETSON. But permissive as to the enterprise?

Mr. MACKEYE. I suppose it would be best for Congress to take the advice of the commission as to the enterprise to apply the plan to, or else leave it to the commission to decide.

Commissioner GARRETSON. Is your idea of the commission founded upon the original commission that was created to dig the canal?

Mr. MACKEYE. I had not that commission particularly in mind, but a similar commission would be perfectly suitable, I suppose.

Commissioner GARRETSON. That is all, Mr. Chairman.

Chairman WALSH. That is all; thank you, Mr. MacKaye.

Mr. John Mitchell.

#### TESTIMONY OF MR. JOHN MITCHELL.

Chairman WALSH. Please state your name.

Mr. MITCHELL. John Mitchell.

Chairman WALSH. Where do you reside?

Mr. MITCHELL. Mount Vernon, N. Y.

Chairman WALSH. What is your business?



Mr. MITCHELL. I am now a member of the New York State workmen's compensation commission.

Chairman WALSH. And prior to that time what positions have you held. I wish for the record you would sketch back from this time, say, for the last decade your activities either in the labor world or in industry.

Mr. MITCHELL. Well, I have held many positions, but principally from 1894 until 1908 I was active in the affairs of the United Mine Workers of America, having been its president from 1898 until 1908—a period of 10 years.

Chairman WALSH. Have you any connection with the United Mine Workers of America at the present time?

Mr. MITCHELL. I represent them as one of their delegates in conventions of the American Federation of Labor. That is all.

Chairman WALSH. I suppose during your term as president and in other executive positions you have held with that organization you have had much to do with the making of contracts with the United Mine Workers of America?

Mr. MITCHELL. Yes, sir.

Chairman WALSH. And the maintenance of conditions under those contracts?

Mr. MITCHELL. Yes, sir.

Chairman WALSH. And investigations into those that had been violated by one side or the other, and such matters?

Mr. MITCHELL. Yes, sir.

Chairman WALSH. So you have had a large first-hand knowledge of the mining industry, so far as it applies to the labor end of it?

Mr. MITCHELL. Well, up until about seven years ago. It is nearly seven years since I retired from the presidency of the United Mine Workers of America; and for 15 years I was one of the vice presidents of the American Federation of Labor, and retired from that position a little over a year ago.

Chairman WALSH. Down to a year ago, then, you were still in close first-hand connection with these matters?

Mr. MITCHELL. Yes, sir.

Chairman WALSH. I would like to ask you first, Mr. Mitchell, if you have observed the effect of the creation of large corporations on the conditions of labor in American industry upon general industrial conditions?

Mr. MITCHELL. Yes, sir; I have had some observance of the effects as to the formation of great combinations and the effect of those combinations on labor conditions in industry.

Chairman WALSH. Now, is the creating of large corporations improving the physical conditions under which workmen are employed, or not?

Mr. MITCHELL. Well, I should have to qualify my answer to that statement, Mr. Chairman.

Chairman WALSH. We wish, Mr. Mitchell, on account of your knowledge of this subject, that you would not confine yourself to the questions that we ask, but that anything that suggests itself to you growing out of or that you think would throw light upon our present investigation, that you would proceed at length?

Mr. MITCHELL. Well, it has been largely—my own observation has been that it has been largely through the past 15 years that the great combinations of capital have come into being; that is to say, industry has been merged into great combinations within the past 15 years. The effect of these large combinations of capital and large control of industry has, in some instances, resulted in certain improvements in the conditions of employment, as, for instance, in the United States Steel Corporation. They have introduced systems of reducing accidents, of providing better sanitary conditions. On the other hand, the organization of these great combinations has tended to deprive the workman of what is to them their most fundamental right; that is, the right of association, the right of forming labor unions.

Now I do not want to detract one bit from the credit due great corporations for whatever good work they have done. On the contrary, I desire to give the fullest measure of credit to them for whatever good they have done. But I do say that the denial of the right of organization—I do say whatever improvements they have made in no way compensates the workingman for the deprivation of their right of organization, because, gentlemen, in my judgment, there can be and there should be no permanent industrial peace unless that peace be founded upon industrial righteousness. And workingmen can not be deprived of their right of organization and their right of collective bargaining except by depriving them of their right to attainment and happiness.

Now I understand one of the objects of the inquiry of this commission is to find the causes of industrial unrest. Of course I assume it is not intended that industrial unrest of itself is to be regretted; but, on the contrary, unrest may be and often is the most healthy sign of the times. I think that what is not only necessary, but inevitable, is a constructive healthy discontent among the people and among the workingmen; but that discontent must be a constructive discontent, a discontent which makes men want to build for better things, better homes, better citizenship, better civilization. Among organized workingmen I find that character of discontent, men who are striving for a gradual improvement of their conditions of life and labor; whereas among unorganized workingmen—that is, among those who are denied the right to organize—their discontent finds expression not in acts that make for constructive improvement, but it finds its expression in periodical rebellions and industrial revolutions, which is perhaps typified better in the strike of the workmen at Lawrence, at Paterson, at McKees Rocks, at Bethlehem, and in the coal fields of West Virginia, and in other places which I can not remember and which are not so well known to the public. But in all those great industrial outbreaks it was the denial of the right of association which led the men and women to go on strike. If these working men and women had been permitted to form trade-unions, had their employers recognized the regularly established unions of the trades, I dare say those conflicts would have been averted.

Now, among the great combinations of capital which come to my mind now, that have deprived the working people of their legal and moral right to organize, have been the American Woolen Co., which represents and controls the great woolen industry of the United States, the American Tobacco Co., the United States Steel Co.—these companies, particularly the United States Steel Co., making improvements in the sanitary conditions of their employees, have persisted in their opposition to the right of their workingmen to organize and to bargain collectively for the sale of their labor.

It seems to me, gentlemen, I repeat, that there can be no permanent industrial peace until workingmen have the right and exercise the right to collectively bargain with their employers for the sale of their labor. It does not matter that the head of some great corporation may be generous, that he may desire to improve the conditions of the working people. The working people are not satisfied with those gifts and benefactions which are given to them by their employers. What they want is not gifts; they want independence; they want security in their jobs—that reasonable security that makes them feel that they may not be dismissed from their employment without good cause, and that they can not have in the absence of united action.

The coal industry, with which I am most familiar, is, of course, an organized industry.

Chairman WALSH. Largely an organized industry?

Mr. MITCHELL. Yes, sir; with the exceptions of Colorado, West Virginia, Alabama, and certain large districts in Pennsylvania, the coal miners of the United States are practically all organized. In Colorado, and in most of the districts in West Virginia and in parts of Pennsylvania and in all of Alabama, the right of organization and of collective bargaining is denied to the workingmen. The result of it has been that not only are the miners required to work for less wages and work longer hours in these nonunion coal fields but, as was testified here the other day by a representative of the miners, the death roll of this industry in the unorganized coal fields is so much higher than in the organized fields that it is impossible to separate the death ratio from the fact that the men are unorganized. As, for instance, Colorado has double as many fatalities and accidents that do not result in fatality per thousand employed as is the average for the United States.

Indeed, if you make a chart by States showing the rise and fall of industrial accidents, you find just as organization proceeds the ratio of deaths decreases. In Colorado, as I recall the last figures their death rate was 6 per thousand employed annually. In West Virginia about the same. In Alabama about the same. Whereas the average of the United States, including these States, unorganized, is about 3, or, to be exact, I think it is 2.85 per thousand employed, the lowest ratio being found in Missouri, where the rate is less than 1 per thousand employed annually.

When men are unorganized, and where they have no power of united expression, they will take risks—I mean unnecessary risks—that organized workmen will not take.



Furthermore, the mining laws in the States in which men are not organized are not so well enforced as in the States where the men are organized. As a matter of fact where the men are organized they have a political power—I do not mean a party political power, but I mean the potential political power—which results in the enforcement of the mining law and results in the enactment of mining laws.

Chairman WALSH. Does the large corporate type of organization, in your opinion, tend to produce a higher grade of workmen and a more constant citizenship, or otherwise?

Mr. MITCHELL. I think the large corporations specialize more than the smaller ones, and to that extent the men are perhaps not so well all-round trained mechanics as they are in the smaller industries, and the very fact that in these great combinations of capital, in the industries controlled by these great combinations of capital, men work longer hours and for less wages on the whole, which must result in a lowering of the standard of living and consequently in a lowering of the standard of citizenship, because I think it is a truism that the standard of citizenship is inseparably related to the standard of wages. You can not expect a high order of citizenship among men who earn less than is necessary to maintain themselves in health and decent comfort.

Chairman WALSH. Has the high concentration of industry in the form of the modern corporation acted as a preventive, or has it accelerated the growth of trades-unions?

Mr. MITCHELL. I should say that it has acted as a preventive, that it has prevented the growth of trades-unionism, as indicated by the great industry to which I have referred. For instance, the steel industry was formerly—many of the skilled workmen were formerly—an organized industry. And my recollection is that when Mr. Carnegie was in control of the Carnegie Steel Co., that the skilled workmen were members of the Amalgamated Association of Iron, Steel, and Tin Workers; that the unskilled men were not organized; therefore their wages were very low. But in the other industries, in those industries now controlled by the United States Steel Corporation, I understand that none of the members are members of the organization except those employed on their railroads; that all the men in the mills are unorganized.

Chairman WALSH. Have you observed the extent, if any, to which potential control over labor conditions is concentrated in the hands of financial directors of the large corporations?

Mr. MITCHELL. No; I have no knowledge of it at all.

Chairman WALSH. Have you any knowledge as to the extent to which control is exercised by the large financial interests in connection with these corporations in labor matters?

Mr. MITCHELL. Perhaps the most striking instance I can refer to is that of the settlement of the anthracite coal strike.

Chairman WALSH. I wish you would go into that in a concise way; detail it, Mr. Mitchell.

Mr. MITCHELL. Well, the anthracite coal strike was inaugurated in the late spring of 1902, and was inaugurated after the representatives of the miners' union had exhausted every means in their power to adjust their differences with the mine owners by negotiation and conciliation, and the strike continued until the late fall.

In October—I think it was the 2d day of October—1902, the President of the United States invited the presidents of the coal-carrying railroads and one independent coal operator—and by that I mean an operator whose mines were not owned by a railroad company—and he invited also a representative of the United Mine Workers to confer with him at Washington, for the purpose of trying to bring about a basis upon which the strike could be adjusted, and his efforts in that respect failed—failed because the representatives of the coal-carrying railroads would not agree to arbitration or to mediation or to any basis of adjustment. Some four or five days later—I think some two weeks later—the representatives of certain large banking firms in New York City journeyed to Washington and proposed a basis of settlement which, after being modified to meet in part the objections raised by me, did result in a settlement.

Now, in that instance, it seemed that the representatives of the financial houses, financial firms were able to control a situation despite the fact that those in active charge of the railroads had refused to make an adjustment. Now, that is the most notable instance of which I have knowledge in which there seemed to be large control of industry by the financial institutions of this country.

Chairman WALSH. Do you see any analogy between the situation now existing in Colorado and the conditions which existed in the anthracite region of Pennsylvania prior to this settlement?

Mr. MITCHELL. Well, I do not think the cases are parallel at all. In one case it was a banking firm, for instance, Mr. Morgan's firm, that I believe brought about and made a proposition to the President that resulted in a settlement of the strike.

Chairman WALSH. I do not mean with reference to any efforts that have been made to settle it heretofore—that is, I do not mean the suggestion of the President or the efforts of the Labor Department or anything of that sort—but do you see an analogy or analogies in the general situation out there with the conditions prior to the creation of the Anthracite Commission and the settlement of that question? For instance, were the owners determined, were the miners in a state of deep unrest, was the situation acute—if there is any analogy?

Mr. MITCHELL. Yes; I think in that respect that there is a very close parallel. Of course, I know a good deal; that is, I did know a great deal about the situation in Colorado. As a matter of fact, the strike which has just terminated in Colorado by the men resuming work is a repetition of an occurrence there in 1903, when I was president of the United Mine Workers of America.

I think it was on November 9, 1903, that the Colorado miners, the miners of part of New Mexico and Utah, went on strike. Their demands were substantially the same demands that were made in the strike which has just been brought to a close. The strike lasted for nearly a year—that is to say, at any rate, it lasted from November 9 until about July 1—when the officers of the United Mine Workers ordered the men to resume work, as we were not able to financially support the strike and were compelled to advise them to call a convention and to order resumption of work, and to advise them that we could furnish no further financial aid.

The men did have a convention and refused to order the strike off, and what is rather unusual, they continued that strike for, I think, two months afterwards, even though they had no money upon which to live; that is, they were furnished no money by the United Mine Workers of America. But eventually they were compelled to return to work on the terms offered by the mine owners.

Chairman WALSH. Was there violence in that strike, and alleged invasion of constitutional rights, destruction of property—those concomitants that have gone with strikes?

Mr. MITCHELL. Yes; I think so.

Mr. W. R. Fairly, who, by the way, was appointed by the President of the United States as one of the mediators to bring about an adjustment of the present Colorado strike, and Mr. James Mooney, representative of the United Mine Workers of America, while traveling between Starkville and Trinidad, Colo., were set upon by a gang of ruffians and were severely beaten, one of them having to go to a hospital and is to this day carrying the marks of the beating he received at that time. Mr. Fairly was many months before he recovered from the assault made upon him.

Mr. Evans, than whom there is no better citizen in the United States, a man whose home is in Ohio and who represented the United Mine Workers of America as its financial agent in Colorado during the strike of 1903, while traveling on a train between Trinidad and Denver, was set upon by armed guards and beaten into insensibility.

Mr. Wayohn, another representative of the United Mine Workers of America, was similarly beaten and sent to a hospital at Salida.

At the time they were assaulted these men were pursuing their own business in a peaceful way and certainly the men on the train traveling as passengers could have been engaged in no act that would have provoked anyone assaulting them, because they were assaulted far from the coal field. I dare say, as I recall the distance, it is something over 100 miles from the field where the men were on strike.

Now, men were deported, a large number of men was taken from the coal fields of Colorado over the Ratoon Pass into New Mexico and ordered not to return to the coal fields again.

There was violence on the other side, too. The violence was not confined to the representatives of the corporations. As to the amount of violence, of course, it is a long time ago and I can not remember—



Chairman WALSH. Give the general outline of violence on the other side—was there organized violence, was there conflict between the bodies of men and the authorities, or how was it?

Mr. MITCHELL. My recollection now is that the men who were attacked, these men who were standing waiting for strike breakers to persuade them not to go to work, were provoked into acts of violence, that there was from time to time overt acts committed between the strikers and the guards.

Now, of course, I had to depend upon reports made to me as to the causes. As far as I can remember these reports they were that the strikers had been provoked, had been goaded until they could no longer endure this provocation, and had to resort to fights.

However, I do not recall that there were serious fights between the guards and the strikers which resulted in the loss of life.

One of the guards—that is, one of the detectives—was killed in Denver, but it was while—the newspapers had at first charged that his death was the result of some act of a striker, and the investigation demonstrated, as much as it was possible to demonstrate, that he had been killed by one of his own men. The record there was that he knew too much, and he was shot, and found dead in the streets of Denver. I might say that the mining fields are 200 miles from Denver.

Chairman WALSH. Please outline the main provisions of the settlement made by or growing out of the Anthracite Strike Commission.

Mr. MITCHELL. Well, the commission recommended that there should be an advance of 10 per cent in the wages of all contract men, and that the hours of labor of men who worked by the day should be reduced from 10 to 9, which was equivalent to an advance in wages of about 11 per cent—eleven and a fraction per cent—that engineers and pump men who had formerly worked 12 hours per day should have their hours of labor reduced to 8 hours per day, and that they should receive the same rate of pay for 8 hours that they formerly received for 12 hours.

Now, this also applied to certain classes of firemen, so that on the whole the settlement resulted in an advance of about a little more than 10 per cent in wages.

It provided also that the right of the workmen to join their trade-union should not be denied, but that men who did desire to join the United Mine Workers of America should not be interfered with in their right to work. It provided for the creation of what is called a board of conciliation. This board of conciliation is composed of three men representing the workmen, and three men representing the employers, these six being given authority to appoint a seventh disinterested party to adjust any grievances that could not be adjusted by the board of conciliation itself. Now, when the time came to appoint the representatives of the miners on this board, a convention of the United Mine Workers of America was called—that is, a convention of the three anthracite districts of the United Mine Workers of America was called—and that convention designated the three presidents of the anthracite districts of the United Mine Workers of America as their representatives on the board of conciliation. Whereupon the mine owners refused to recognize them as the representatives of the anthracite mine workers. And another convention was immediately called and I recommended that either the miners in the anthracite field be permitted to select their own representatives free from interference on the part of the mine owners or we would stop work again. And thereupon Judge Gray, who had been chairman of the Anthracite Coal Strike Commission, intervened and decided that the United Mine Workers of America had the right to select these representatives and that the coal companies had no right, under the agreement, under the decision, to deny to recognize, to refuse to recognize the men selected by the United Mine Workers of America.

The result was that they then did recognize them and from that day to this that board of conciliation is in existence and all questions of dispute, except questions of wages—that is, all questions of dispute arising out of the decision of the Anthracite Coal Strike Commission—are referred to this board and they have been continued to be referred to them.

Chairman WALSH. What was the date of the decision of the commission, if you can recall it. Mr. Mitchell, of the Anthracite Commission?

Mr. MITCHELL. I think it was in April, 1903, that their decision was made, and their report is now in the records of the Labor Department at Washington.

Chairman WALSH. Was the strike going on in Colorado at that time?

Mr. MITCHELL. No; the strike in Colorado began about November 9, 1903.

Chairman WALSH. Was there any effort at that time to apply the principles laid down in the report of the Anthracite Strike Commission in Colorado, it following so closely on that strike?

Mr. MITCHELL. No, sir; there was no proposal made by either side. It was impossible to make proposals, because we were not able to confer. The president of the Colorado Fuel & Iron Co. would not grant an interview or conference to any representatives of the United Mine Workers of America.

Chairman WALSH. Did they take the same position in 1903 that they have taken in this controversy?

Mr. MITCHELL. Precisely.

Chairman WALSH. Had that not been the position at least of some of the anthracite operators prior to the creation of the Anthracite Commission?

Mr. MITCHELL. It was their attitude up to 1901. May I say that the great strike in the anthracite fields in 1902 was not the first strike. In the fall of 1900 a strike was inaugurated involving nearly all of the mines in the anthracite field, and that strike lasted six weeks and was settled by a notice of an advance of 10 per cent being posted at the tipples and washers of the companies. In 1901 we then opened negotiations with the presidents of the anthracite coal carrying railroads for a conference looking to the making of an agreement, and we had conferences with them in 1901 and in 1902 prior to the great strike. As a matter of fact, the right of conference was never denied by the railroad presidents after the strike of 1900. Prior to that time they would not confer with us.

Chairman WALSH. Was that a position that had extended over a number of years?

Mr. MITCHELL. No; I can not say that, because the miners' union had no strength in the coal fields until 1899; then its growth began.

Chairman WALSH. What has been the result of the agreement reached in the strike field in 1903 as regards wages and general working conditions in the mines?

Mr. MITCHELL. The wages in the anthracite coal fields are approximately 36 per cent—approximately 40 per cent higher now than they were prior to the strike of 1900. An advance of 10 per cent was made in 1900 and an advance of 10 per cent in 1902, which would indicate an advance of 20 per cent; that does not represent, however, all of the advance made. Prior to 1900 the men were employed on a sliding-scale basis, a so-called profit-sharing basis; that is to say, when coal sold at New York Harbor at a given price per ton—no; change that. When coal sold f. o. b. cars at the mines at \$2.50 a ton, the miners received a certain amount per ton for mining it and a certain amount per day; I can not give the figures, because they varied so much. When coal sold at a less price than that there was a falling off in wages, and when coal sold at an advanced price over that wages were raised. It happened that prior to 1900 coal sold at the mines at less than the basis price, and consequently the miners' wages were from 10 to 12 per cent less than the basis price, so that the advance of 10 per cent in 1900 really meant an advance of 18 per cent, because the advance of 10 per cent was on the basis price; therefore really it was a gain to the amount of about 18 per cent.

The advance secured in 1902, or awarded in 1903, also provided for the payment of certain amounts for dead work, deficiency work, etc.; so in respect to that advance it really totaled about 18 per cent. Since that time, about two years ago, another advance of 5 per cent was made, so that it amounts to a total advance of wages in the last 15 years of about 40 per cent.

Chairman WALSH. What have been the results, from your observation, of the settlement of the anthracite controversy with respect to the living conditions and general social surroundings of the workmen engaged in the industry?

Mr. MITCHELL. There has been a decided improvement. The anthracite coal strike and the publicity given to it so shocked the finer sense of the American people, and I say, too, Mr. Chairman, that I think it called to the attention of the men who operate these mines the real conditions existing, and as a consequence there were put in force after that strike many improvements. In some of the camps, where the men had lived in shacks and huts, they were pulled down and rather decent houses were put up in their places.

My own observation has been that with the higher wages there has come a general elevation of the whole intellectual and moral standard of the people in that industry. Just to illustrate: Prior to the strike of 1900—by the way, the anthracite miners are largely non-English-speaking people. Many of them being recently arrived immigrants, They speak more than 20 languages, and



they brought with them from their own countries the racial animosities that prevailed there, and the result was that it was difficult for them to live in peace together. The English-speaking miners failed to treat them with the proper consideration; that is, these fellow workers of theirs who did not speak the English language. It was hard to pronounce their names, and they often called them "Hunks" or by the name of John or Jim. And when I went among them I insisted that they should stop that practice and give these foreigners as much consideration as they demanded for themselves. I insisted that they should stop calling them Hunks, and to call them Mr. So-and-so, or to learn their first names and address them in that way. That was done, and as an evidence of how important it was regarded, this transformation—at the end of the strike several of the consuls of various nations and several of the bankers who do business with the immigrants and the representatives of all their great newspapers, came to Wilkes-Barre and presented me with the most beautiful badge, made by the man who designed the badge given to Lincoln by the freed slaves. And they said the reason for doing so was that I had succeeded in securing for their people that recognition which they were entitled to as American citizens. That condition exists there now.

I do not mean to say that these men are sufficiently paid. The anthracite miners are not sufficiently paid yet, and hours of labor are still too long, but they are infinitely better off now than they were 15 years ago.

Chairman WALSH. What have you observed as to the results on what might be called the democratic situation—the general political conditions? Have you observed any?

Mr. MITCHELL. Well, the first—perhaps I might illustrate the greater freedom of political action that followed better living conditions by stating that prior to the strike nearly all their representatives in the legislature were chosen from either the business class or from the employing class; that following the strike, when the men felt some greater degree of freedom, they were largely chosen from the working people. Inasmuch as the population is 75 per cent miners it might be expected that they would elect to the legislature some of the miners as members, and after the strike they did send quite a number of miners to the legislature.

I am not prepared to say that there was any attempt by the companies to control the political action of the men before the strike; I do not think it was necessary, inasmuch as the voters were largely men who were non-English speaking and without training in democracy, and it was rather difficult for them to find the means of properly expressing their political preferences.

Chairman WALSH. What effect, if any, did you observe this settlement to have had upon the character and habits of the men in the industry?

Mr. MITCHELL. Well, I suggested, in my answer to another question, the effect has been most desirable. There has been a marked improvement in the intelligence and moral standards of the people in the anthracite coal fields.

Chairman WALSH. Did the settlement of the controversy involve this question of the check off, so called—that is, the deduction from the wages of the men of their union dues?

Mr. MITCHELL. No; the settlement did not, with respect to the checking off of the union dues; but it did involve the checking off of checkweighmen and check-docking bosses. An anthracite mine is different from a bituminous mine. In the anthracite mine the weighing of the coal is not practical, although demanded in some cases by the men, but in some cases it is entirely impractical because of the peculiar physical condition of the veins. But there is another question similar to it involved. That is to say when men are paid by cubical measurement, as they are over there, the contention was there should be a man employed by the men to act as the company's representative to determine the amount of coal that is in a car, as required by the agreement. Under the old system, if the car was loaded to the water level, as required under the agreement, the man might be docked. The coal, as it moves a great distance underground and up to the surface, shakes down, and a car that might have left the working place at water level might be less than water level when it reached the place of dumping. The men were docked, and they demanded they had the right to employ a check-docking boss to see that they were not wrongly docked, and that was granted, and all the men working in the colliery were checked off for his wages. And this was done by agreement of the majority of the men.

Chairman WALSH. I refer particularly to the checking-off system as applied to union dues. You noticed in Colorado that the operators said it was ob-

noxious and tyrannical to have the companies do that. Was that dealt with in the settlement of the anthracite strike?

Mr. MITCHELL. No; the demand was made before the Anthracite Coal Commission that the anthracite miners of America should be recognized officially as members of the United Mine Workers, but that request was denied by the commission, although it did recognize the rights of representatives of the United Mine Workers of America on the board of conciliation.

Chairman WALSH. Is that what might be called an open-shop agreement?

Mr. MITCHELL. Yes; it might be called an open-shop agreement.

Chairman WALSH. After being put in effect, was it so recognized by the workers and operators as being a real open-shop agreement?

Mr. MITCHELL. Yes.

Chairman WALSH. Has the so-called check system existed there since that time; that is, the principle of the company deducting the union dues from the wages or salaries of the employees still exist?

Mr. MITCHELL. With only one or two exceptions the companies do not deduct the union dues, but, Mr. Chairman, they do this: By agreement with the coal companies made subsequent to the decision of the anthracite coal-strike commission, the right of the union to have committees at the pay car or at the mine to collect dues from all of the mine workers is recognized, so that the present arrangement with the miners' union does give them every opportunity to collect dues from their members, although it does not require that the men must belong to the union in order to have the right to work there.

Chairman WALSH. Do you consider that the adoption in Colorado of the general provisions of the anthracite agreement would produce good results?

Mr. MITCHELL. I think it would produce results so much better than prevail there now that it would be desirable. Personally, I favor the system of industrial conditions that prevails in the organized coal fields of the United States. I think where the companies and the representatives of the union bargain as to the conditions of employment, and their decisions are formulated into an agreement, that is the best method.

Chairman WALSH. Has your attention been called to a proposed plan or to a plan adopted by the Colorado Fuel & Iron Co. with reference to dealing with their employees collectively?

Mr. MITCHELL. I have read the accounts in the papers. I think it is substantially that at each mine the men are to select a representative who are to go to Denver and meet the representatives of the company.

Chairman WALSH. Well, I may be wrong, but my recollection of the testimony was that every 250 miners had a right to select one representative who would confer with the mine operators at Denver and with their representatives, and present any grievances that they might have, the labor representatives being selected at mass meetings of the workmen without any compulsion or without any observation, even of the employers. Is that about it?

Commissioner WEINSTOCK. Without the presence of the pit foreman?

Chairman WALSH. Without the presence of the pit boss or foreman, or any other representative of the employers. Now, assuming those to be the outlines, I will ask you what do you think of the efficacy of that plan for producing results?

Mr. MITCHELL. Simply absurd. It would result in no good at all.

Chairman WALSH. Why?

Mr. MITCHELL. Because the men would not be free to select representatives of their own choice. If they are unorganized, they will do as they have always done in unorganized districts. They will select the persons that the company wants selected. They may not do that by direct instructions, but where men have no security in their positions they will do what the company wants them to do. The men must be organized in order that they may have freedom to select the proper men to represent them. No good at all can come of it, because, as a matter of fact, the men at the mines will not believe that they are being really and truly represented by those selected in that way.

Chairman WALSH. Now, have you observed any efforts having been made in the past to so have conducted the affairs between employers and employees in large corporations upon which you base your conclusions which you have just given?

Mr. MITCHELL. Yes, sir; prior to 1897 the coal industry of the United States was an unorganized industry. In 1897 the coal miners of the United States—of all the Central Western States—went on strikes, and they made a slogan of the statement "We might as well starve idle as starve working." Conditions had



become so bad that they could not live on the wages they were earning. That strike had not been on but a short time before men who were either opposed to the strike or who were in the employ of the companies met—for instance, they went to St. Louis to confer with the mine owners, and in some cases they reported the strike should be called off. In other words, there was no free expression on the part of the men in the selection of their representatives, and there can not be unless the men are organized.

Chairman WALSH. What do you believe, Mr. Mitchell—what is your opinion as to the responsibility of directors in these large corporations for the labor conditions of the people engaged in them?

Mr. MITCHELL. I think in most cases it is very unfortunate that the directors know very little about the actual conditions prevailing at the plants or mines. Usually in great corporations the directors are usually busy men having other interests, and they have not got the time even if they had the inclination to visit the plants; and when they do visit them it must be a brief visit. Their observations must be in large measure superficial. They can not have time to investigate thoroughly.

Chairman WALSH. What seems to determine the importance of the work which they have to do, if you have observed? For instance, what is the character of the duties that they seem to consider more important than first-hand knowledge of labor conditions?

Mr. MITCHELL. Well, my judgment is that they consider the financial situation, the financial conditions of their companies as being the most important consideration. I think that is to be expected of them, because I think they can not give the time to acquaint themselves minutely with the conditions of employment at their plants, particularly if the plants be far distant; but I think they should have.

Chairman WALSH. What do you think of the relative importance of those duties that they have assumed?

Mr. MITCHELL. I think there is a great obligation upon them to know all about the conditions of employment, the industrial conditions, at the plants of which they are directors.

Chairman WALSH. What have you observed as to those conditions as affecting the financial well-being of the institutions?

Mr. MITCHELL. Well I do not know as to what the effect of it has been.

Chairman WALSH. Does the fact that many large corporations—that is, the stockholders, among whom are now large numbers of employees, such as the steel company, which is selling stock to its employees—in any way affect the control of the policies of these corporations?

Mr. MITCHELL. You mean their selling stock to their employees?

Chairman WALSH. Yes. Does the fact that the employees hold stock in these large corporations affect labor policies either one way or the other?

Mr. MITCHELL. Why, I think that selling stock to the employees may in some cases make the working people think they have a real interest in the property of the plant; but I do not think it means anything to the workman. I do not think it means anything for his material betterment at all, because the workman could just as well go and buy his stock on the market if he had the money to do it with. The only thing is it gives him the stock at a few dollars less than he might have to pay for it in the market and gives him time in which to pay for it; but I don't think that gives the workingman any real voice in determining the policy of the industry. He is not represented on the board of directors, and even if he were their holdings are so small that they could have no real voice in determining the labor policies of the company.

Chairman WALSH. Commissioner Weinstock has a few questions that he would like to ask you, please, Mr. Mitchell.

Commissioner WEINSTOCK. You have specialized in recent years on workmen's compensation, have you not?

Mr. MITCHELL. Well, I have given some study to it and been a member of various committees that had to do with the subject.

Commissioner WEINSTOCK. Well, in this connection, I think it only fair, Mr. Mitchell, to say that as a member of the California Workmen's Compensation Commission, I have learned to regard you as one of the authorities and one of the experts on that problem. And as an authority and expert, Mr. Mitchell, has it or has it not been your observation that in States where workmen's compensation laws are now on the statute books that the percentage of fatalities due to industrial accidents are less by a more or less considerable number than in States where there is no workmen's compensation law?

Mr. MITCHELL. Well, the only information I have on it—because in compiling their statistics there are very few of the commissions that have attempted to demonstrate that compensation acts have reduced accidents—my judgment is that it has and will reduce the number of accidents. Of course, in our State the State of New York, our law has been in operation only seven months, and consequently we are not as yet able to analyze our statistics. But I have had reports from various companies, for instance, the Lackawanna Steel Co. Their report shows that their accidents have been materially reduced since the law went into effect. And we have isolated cases of that sort, indicating a substantial diminution on the number of accidents.

And the president of the Michigan State Federation of Labor in an address delivered here in New York City a little while ago said that in the whole State of Michigan since the compensation law went into effect that accidents have been reduced by one-third. That, I think, perhaps is not quite exact. I don't see how there could be a reduction of one-third in accidents due to compensation acts alone, but that would be probably due to some other causes.

Commissioner WEINSTOCK. Practically, doesn't it have to work out along these lines, Mr. Mitchell, that when an employer is approached in a State that is not under workmen's compensation laws and is asked to introduce safety measures, you can use simply moral suasion?

Mr. MITCHELL. Yes.

Commissioner WEINSTOCK. Whereas, if the State were one where there were workmen's compensation acts on the statute books, it becomes to that employer a matter of profit in this, that it has been brought out in the testimony here that the amount allowed on the part of the coal operators of Colorado, for example, in death cases, was all the way from \$300 to \$700 to the dependents of the deceased workmen; whereas in States where workmen's compensation is the law the usual award to the dependents of the deceased workman is a sum equal to about three years' earnings; I don't know that it is in New York, but in California it is equal to three years' earnings—which make it on an average about \$2,700 as against an average of somewhere between \$300 and \$700. Well, now, when the employer finds he is called on to pay a sum of \$2,700 in case of a fatality as against a sum of \$300 to \$700 it becomes to his own selfish interest to see that safety appliances and methods are introduced.

Mr. MITCHELL. Yes. I think there is no doubt about it. In other words, if it costs less to save a man than to kill him they will probably save him.

Commissioner WEINSTOCK. Yes; exactly. Another point of information, Mr. Mitchell, may I ask whether in the State of New York you have the initiative, referendum, and recall?

Mr. MITCHELL. No; we have not.

Commissioner WEINSTOCK. Do you regard the initiative, referendum, and recall as being of any advantage to labor?

Mr. MITCHELL. Well, I think in Oregon it has been of decided advantage, and I think perhaps in California it has been of some advantage.

Commissioner WEINSTOCK. In what way is the initiative, referendum, and recall of advantage to labor?

Mr. MITCHELL. Well, it gives labor the opportunity to initiate legislation which they believe is necessary to their well-being. It gives them the opportunity of defeating legislation which they believe to be hostile to their interests. I am not suggesting at all that the workmen or any other class of citizens always exercise wisely this new power which they have acquired by the introduction of the initiative, referendum, and recall; but I do think that in course of time it will be of tremendous advantage as an educational factor. In other words, men never wisely discharge responsibilities until they have responsibilities. You put a great responsibility on a man and in the course of time he will wisely discharge that responsibility.

Commissioner WEINSTOCK. You think, then, Mr. Mitchell, that it is an advantage to labor to have the initiative, referendum, and recall on the statute books of the Commonwealth?

Mr. MITCHELL. I think it would. I may say I am not an advocate—it is a subject that I have not specialized in at all, but I believe in democracy—the general terms of democracy I believe in. In other words, I believe in government by the people, and I believe it is wise to place upon people the greatest measure of responsibility, just as I believe it is in the industrial world. I believe in industry by agreement, and if I were an employer, in making a contract with a labor union, I would place upon the union every bit of responsibility I could. Too many employers seek to reserve to themselves the re-



sponsibility they should place on the workingmen. In making a contract, I say, I would give them all the responsibility I could put upon them, and then I would hold them to strict accountability for the discharge of their responsibilities.

Commissioner WEINSTOCK. I gather from that what you have said, Mr. Mitchell, if the initiative, referendum, and recall are part of the law, it enables the workers, through their votes, to recall incompetent or dishonest or derelict officials, does it not?

Mr. MITCHELL. I say it would give them that power, if they knew how to exercise it.

Commissioner WEINSTOCK. Exactly; and it further gives them the right to have placed on the statute books, regardless of the attitude of the members of the legislature, such laws as in their judgment are for their good or interest?

Mr. MITCHELL. It would give them that opportunity; yes.

Commissioner WEINSTOCK. And furthermore it would enable them to prevent a legislative act from becoming a law if that act was inimical to the interests of labor?

Mr. MITCHELL. Yes; they would have that opportunity.

Commissioner WEINSTOCK. Now, then, with the initiative, referendum, and recall on the statute books, is there any excuse for workers taking the short cut and taking the law in their own hands?

Mr. MITCHELL. Well, of course, there is justification for a man to take a short cut under some circumstances regardless of what resources he has under the law. If a man were to come up and assault me I would not be willing to wait until I could invoke the aid of the people of the State of New York to repeal the law and make a new law to protect myself. I would protect myself.

Commissioner WEINSTOCK. That would be a matter of self-defense?

Mr. MITCHELL. Yes; and so it is. You can not—of course it is necessary to say in connection with such legislation, the initiative, referendum, and recall, that they must be workable laws. You can not—you can provide for the initiative, referendum, and recall and you can provide machinery that makes it absolutely unworkable. Now, it must be a workable law, one that you can invoke within a reasonable time. As a matter of fact, nearly all the laws of this kind require the lapse of months before you can recall an officer. I think it is usual—its advocates say, it ought to be three or six months after the petition is filed before the officer could be recalled, and perhaps that is wise, in order that men may not act in anger or under great provocation, that they shall have time to act with calmness or deliberation.

Commissioner WEINSTOCK. Yes. I think there can be no room for issue on that, Mr. Mitchell, that you or I or any other citizen has the right to defend ourselves if we are attacked regardless of the law; that the law would justify self-defense. In fact, I do not believe it would be possible to get a jury anywhere in this country to bring in a verdict against a man who had simply defended himself when attacked.

Mr. MITCHELL. Yes; but, more than that, I think, Mr. Commissioner that a man has a right to take into his hands the law, even though it be not he himself who is attacked. For instance, if I saw a ruffian assaulting a woman I would not wait—I would not run down to the police court to get an officer. I would protect the woman, and if I were able to I would assault the man who assaulted her.

Commissioner WEINSTOCK. Well, that would be along the line of defending the innocent and helpless?

Mr. MITCHELL. Yes.

Commissioner WEINSTOCK. Surely.

Mr. MITCHELL. Yes. May I say this, that I do not want even that suggestion to indicate that I am in favor of overt acts. Quite the contrary. I believe in observing the law, and I believe that everyone should observe the law.

Commissioner WEINSTOCK. Good or bad?

Mr. MITCHELL. Yes; I believe that not only the workmen and the employer alike should observe the law, and I do not think as is so often done that citizens should select—that because some representative of a labor union or a group of men in a labor union commit some overt act, or that that act should be held up as typical of trade-unionism in general, because it would not be fair to do it. Then I think that capitalism and capitalists ought not to be condemned as a class because some of a number commit the most atrocious acts; nor do I think bankers, as a general rule, are to be condemned because

some scoundrel amongst them wrecks his bank and wrecks the fortunes of thousands and thousands of men.

In other words, I think that if we are going to hold up an institution to public gaze that we should select its best men or its average men as being typical and not its worst men. That, I am sorry to say, has not been and too often has not been done in the case of labor unions, trade-unionism. It is the worst men that have been held up as the types and not their best men.

Commissioner WEINSTOCK. Would you hold the union responsible where its officials officially did certain things under their official titles?

Mr. MITCHELL. It would depend entirely upon the circumstances, it would depend upon circumstances.

Commissioner WEINSTOCK. Well, under what circumstances would you hold the union responsible, and under what circumstances would you not?

Mr. MITCHELL. Well, if a gang of hired guards or thugs were to shoot down a lot of defenseless women and children and the officers of a union were to say that "Come, let us protect them, let us protect our home," I would feel that there was justification. Now, I would say there was some justification for that act. So that would be an instance in which I would say it would depend upon circumstances.

Commissioner WEINSTOCK. You are fairly familiar, Mr. Mitchell, are you not, with Colorado so far as that is concerned from start to finish?

Mr. MITCHELL. I only know from newspaper reports. I have not been in Colorado for many years. And there are no reports made to me by any of the representatives on the part of the union. Of course I have more than the ordinary interest in the struggle, because I think there was a righteous effort to secure better conditions, and I think the men deserve to succeed.

Commissioner WEINSTOCK. I take it, Mr. Mitchell, that you are probably aware of the attitude of the coal operators in Denver, and the reasons that they have offered as to why they refused to recognize or to deal with the United Mine Workers of America. You doubtless know that among other reasons offered by them are primarily these three reasons: "That the United Mine Workers of America are lawbreakers; second, that the United Mine Workers of America are contract breakers; and, third, that the operators absolutely refuse to enter into any agreements that will compel them to use their machinery to collect the dues of the union." You doubtless are familiar with their attitude on those points, Mr. Mitchell?

Mr. MITCHELL. Yes.

Commissioner WEINSTOCK. And you doubtless know that one of the proofs that the operators in Colorado have offered as evidence that the United Mine Workers of America are lawbreakers is that famous circular that was produced by the mine workers of Colorado, known as the "Call to Arms." And to refresh your recollection I will read it from the proceedings. It is dated Denver, Colo., April 22, 1914:

"Organize the men in your community in companies of volunteers to protect the workers of Colorado against the murder and cremation of men, women, and children, by armed assassins in the employ of coal corporations, serving under the guise of State militiamen.

"Gather together for defensive purposes all arms and ammunition legally available. Send name of leader of your company and actual number of men enlisted at once by wire, phone, or mail to W. T. Hickey, secretary of the State federation of labor.

"Hold all companies subject to order.

"People having arms to spare for these defensive measures are requested to furnish same to local companies, and, where no companies exist, send them to the State federation of labor.

"The State is furnishing us no protection, and we must protect ourselves, our wives and children from these murderous assassins. We seek no quarrel with the State and we expect to break no law; we intend to exercise our lawful right as citizens to defend our homes and our constitutional rights.

"John R. Lawson, international board member district 14, U. M. W. A., and also president State federation of labor; John McLennon, president district 15, U. M. W. A.; E. L. Doyle, secretary-treasurer district 15, U. M. W. A.; John Ramsay, national organizer, U. M. W. A.; W. T. J. Hickey, secretary State federation of labor; E. R. Hoage; T. W. Taylor; Clarence Moorehouse; Ernest Mills, secretary-treasurer W. F. of M."



It was pointed out that that was a call to arms in violation of the State law; that the miners were defying the State authorities, that they were acting as rebels and that they were doing unlawful things in an unlawful way. Now, what would be your comment on that, Mr. Mitchell?

MR. MITCHELL. Well, I would like to comment on that statement just as you gave it. What was the first statement?

Commissioner WEINSTOCK. That they refused to recognize the United Mine Workers of America because of being law breakers.

MR. MITCHELL. I am not a lawyer, but I have understood that in law he who comes into court must come in with clean hands. It seems to me rather strange that the Colorado mine owners would give as a reason their failure to recognize the United Mine Workers of America their statement that they were a lawless organization, when, as a matter of fact, the strike itself was called to enforce the laws of Colorado; that is, five of the demands of the miners were for the enforcement of the law. And I think it is not seriously contended by the owners themselves that the law had been violated by them constantly, constantly violated; that the men were not permitted to have checkweighmen; that they were required to deal in company stores; that they were required to board in certain boarding houses of the company's. That they were not paid in cash. Now, if those mine owners were themselves persistent violators of the law surely it would not be a sufficient defence for their action to say that the men, that they denied recognition to other men because they called them violators of the law.

Now, the next reason given by them was what?

Commissioner WEINSTOCK. Well, before we pass from that, Mr. Mitchell, I would like to develop a point or two there. Now, admitting, for the sake of argument, that the mine owners were themselves lawbreakers. I would take it you in common with the rest of us would not take the ground that two wrongs make a right?

MR. MITCHELL. No.

MR. WEINSTOCK. That because the mine owners were lawbreakers that therefore the mine workers were likewise justified in being lawbreakers?

MR. MITCHELL. No; I would not make that statement. But the statement I would make is this, Mr. Commissioner, that I should try to be reasonably consistent, and if I were a constant and persistent violator of the board, I would not say that I would refuse to recognize another man because I said that they are a violator of the law. The fact of the matter is that being a violator of the law themselves would be no reason why they should recognize other alleged violators of the law. If they were all lawbreakers, they ought all to flock together.

Commissioner WEINSTOCK. What would be your comment on this circular that was issued by the mine workers?

MR. MITCHELL. Mr. Commissioner, it is a—if I had been in charge of Colorado, I should not have signed that circular.

Commissioner WEINSTOCK. Why not?

MR. MITCHELL. I should not have signed it.

Commissioner WEINSTOCK. Why not?

MR. MITCHELL. Because I would think it wrong to do it, and it would serve no good end. But I do not want my statement to be recorded without this explanation. These men signed that circular, as I understand it, three days following the Ludlow massacre—

Commissioner WEINSTOCK. Two days.

MR. MITCHELL. Now, what was the state of mind of the men who signed that circular? We must take into consideration, in passing judgment, the condition of mind of the person who does an act. Two days prior to that day the circular was signed some considerable number, I forget the number, I think 11, women and babies were smothered or burned or shot to death in a camp at Ludlow. These women and children, whether they were shot to death by guards of the company, whether they were smothered by some guards of the company, whether their death was caused at all by that act of those guards, is not so material. But the men believed that their death was due to that; they believed murder had been committed, and that the women and babies had been murdered. Now, with that impression on their minds, that their wives and babies had been smothered by the hired guards of the coal companies, they issued this circular. I do not think the men who issued the circular would have done it under other circumstances. So that while I should not have advised this issuance of any such circular, and would not have signed the circular

had I been in charge of the strike, yet I do want to say that I can understand the state of mind of the people who issued the circular.

Chairman WALSH. At this point we will take a recess until 2 o'clock this afternoon. Will you kindly resume the stand at that time, Mr. Mitchell?

(At 12.30 of this Monday, February 1, 1915, a recess was taken until 2 o'clock in the afternoon of the same day.)

AFTERNOON SESSION—2 P. M.

Chairman WALSH. The house will please be in order so that we may proceed.

Mr. Mitchell, please resume the stand. Commissioner Weinstock is continuing his examination.

Commissioner WEINSTOCK. You made the statement, Mr. Mitchell, that while there were extenuating circumstances in the Colorado situation in connection with the issuance of that call to arms that you nevertheless considered it wrong, and that, if you had been in charge of the strike, you would not have signed the call to arms. Will you please be good enough to tell this commission why you regard that call to arms as wrong?

Mr. MITCHELL. Well, as I understand it, under the laws of the United States men do not have the right to make calls to arms. I may say that I am informed that the men who did make these statements did not understand that it was contrary to law. I am told they were advised by counsel that under the Constitution of the United States the right to bear arms included the right to issue a call to arms, and I think in that respect legally there was a distinction which was not recognized. The right to bear arms does not legally mean the right to issue a call to men to gather arms.

Commissioner WEINSTOCK. In your opinion, then, they were badly advised?

Mr. MITCHELL. I should not say that. I say that the conditions—the state of mind in which the men were placed—the men found themselves—at that time accounts, perhaps, more than anything else, for their action. When I say if I had been in charge of the strike, I should not have advised that. I am speaking of my mind in its present state; I am not speaking as of a day or two days following the killing or death of a large number of men and babies and women. Therefore I can not say with certainty what I should have done two days after the Ludlow matter. But speaking now, I say, and with the state of mind I am now in, I should not have signed the call, but should have advised a different course.

Commissioner WEINSTOCK. The second reason offered by the coal operators, as I have explained it, Mr. Mitchell, why they would not enter into a contract with the United Mine Workers of America was that they are contract breakers. Do you care to make any comment on that?

Mr. MITCHELL. Why, it seems to me that the excuse is not sufficient to justify the refusal to make contracts. As a matter of fact the United Mine Workers of America is not a contract-breaking organization; on the contrary it is a contract-observing organization.

I might relate here an incident that demonstrates that the United Mine Workers of America is not a contract-breaking organization, but is a contract-observing organization, because it observed its contracts under the greatest stress to which a labor union in America has ever been subjected. During the long coal strike, after these 160,000 miners had been idle for three months, at a time when nearly a million men, women, and children were on the verge of starvation, I was required by the United Mine Workers of America to convene a national convention of miners that met at Indianapolis, Ind., on the 14th of July, 1902. The proposition submitted to that convention by the anthracite miners was that if the bituminous miners of the United States would suspend work, even temporarily, that their action would result in the immediate settlement of the anthracite strike; that is to say, that by shutting off the coal supply of the United States that would force the mine owners to immediately settle the strike. The bituminous miners believed that, but when they met in convention not only the delegates from our bituminous coal miners' union voted unanimously against a suspension of work in violation of contract, but the anthracite miners, these very men who at that time believed their very lives were dependent upon a settlement of the strike, also voted for contract observance, and not for contract breaking.

I do not know—I am quite sure there has never been a circumstance of such magnitude that has arisen in the industrial history of the United States in which men took so firm a position in favor of contract observance, as I have



just narrated. They said, "Yes, we could win the strike if the anthracite men suspended work, but we have pledged our word to the contract in the bituminous fields, and will not break that word." And I repeat, the anthracite men, when the vote was presented to them, also voted in favor of the maintenance of the contract.

Of course there are often local violations of contract on both the part of the miners and on the part of the mine owners. I do not know which side has violated contracts oftener; I have never attempted to keep any record of the number of contract violations, but I do say that in proportion of the number of men employed, and in proportion to the number of unions—the number of local unions that are members of the United Mine Workers of America, there have been comparatively few violations of contract. Of course if you gather together all the local and incidental things that occur covering a great many years it will look like a serious matter, but if you compare the violations of contract with the number of cases in which contracts have not been violated it will prove a tribute and not a source of condemnation of the union.

May I repeat a statement I made personally to Commissioner Weinstock? Some years ago an unbeliever, a man who was an atheist, held a mass meeting in one of our great halls in New York City, and undertook to demonstrate, first, of course, that religion itself was evil; but, second, that the preachers of religion were vicious men and unholy men; and when challenged to prove it he produced the records appearing in the papers of the country for the prior 20 years of every case where a minister or a clergyman had erred, which cases he had recorded. The consequence was that he presented a formidable array of instances in which clergymen had fallen from grace. But when you compared the number of clergymen who had fallen from grace with the number of clergymen who had not fallen from grace, his condemnation amounted to a tribute, because it was such a small part of the total number of splendid men who had not fallen, that instead of indicting them, he was commending them. And so it is in the union. If you take the number of local violations of contract and compare them with the number of cases in which the contracts have been observed, you will find that there is no justification for refusing to recognize the union on the ground that they are contract breaking.

And, after all, violation of contract is subject to a good many explanations. It does not necessarily follow that the men who go out on a strike while there is a contract in force are violators of the contract. It may have been those who provoked them to do it. A strike may be the culmination of repeated grievances. As it is said, it is the last straw that breaks the camel's back; and so it is in industry. Frequently there are aggressions here and there until the men finally rebel and they strike; and, of course, the union is held responsible for the violations of the contract and not those who may have goaded them to do it. Now, I say the United Mine Workers of America has been a contract observing organization.

Commissioner WEINSTOCK. As proof that the United Mine Workers are contract breakers, the Colorado operators submitted to the commission at its hearings in Denver the following communication. I submitted it on Saturday to Mr. Lawson and asked him if he could answer it, and he admitted he was not sufficiently familiar with the final facts in the case to be able to give any satisfactory answer; and I want to submit this to you now in the hope, Mr. Mitchell, that you may have been more familiar with the facts in the case and perhaps can answer it more satisfactorily than Mr. Lawson would be able to do. I quote now from the hearings at Denver [reading]:

"I have here a clipping from the Coal Age, a publication issued somewhere in the East, under date of December 20, 1913, which contains—I will not read the whole thing, but will just take the heart out of it, and you can answer it. It is issued by the Association of Bituminous Coal Operators of Central Pennsylvania, 301 Betz Building, and addressed to Mr. Patrick Gilday, president, district No. 2. United Mine Workers of America, Morrisdale mines, Pennsylvania, dated Philadelphia, December 12, 1913, and it says:

"DEAR SIR: The executive board of the Association of Bituminous Coal Operators of Central Pennsylvania held a meeting here to-day, approved and directed that the following communication be forwarded to you at once."

"And then it goes on to several whereases, and I will just deal with one touching on broken contracts.

"Whereas rules 12 and 13 of said agreement provide "should differences arise between the operators and mine workers as to the meaning of the provisions in this agreement, or about matters not specifically mentioned in the

agreement, there shall be no suspension of work on account of such differences, but an earnest effort be made to settle such differences immediately."

"Whereas notwithstanding the fact that rule No. 15 provides "the right to hire and discharge, the management of the mine and the direction of the working forces are vested exclusively in the operator," and the United Mine Workers of America have absolutely disregarded this rule in that they have at numerous times served notices on substantially every operator belonging to our association that unless all of the employees working for such operators should become members of the union on or before certain dates mentioned in said notices that they, the mine workers, would close or shut down the operators' respective mines, and in many instances did close the mines for this reason and refused to return to work unless such nonunion employees were discharged. This conduct is in direct violation of your contract and specifically interferes with and abridges the right of the operators to hire and discharge; of the management of the mine and of the direction of the working forces; this conduct is in violation of contract on part of the mine workers, as well as that mentioned in the preceding paragraph, has resulted in more than 100 strikes during the life of our scale agreement; and

"Whereas notwithstanding the fact that the operators appealed to you as president of the United Mine Workers of America of district No. 2, to enforce and carry out your contract, and your repeated admission that the mine workers were not living up to their contract, but that you individually were doing all in your power to compel performance thereof, nevertheless it has been open and notorious that your subofficials, organizers, and like employees have been continuing this line of conduct down to the present date."

"Then it goes on to say:

"Be it resolved therefore, That the operators enter a vigorous protest and demand of Patrick Gilday, president, and of the executive board of the mine workers of this district, an immediate cessation of the conduct hereinbefore recited, and that they strictly enforce on the part of the mine workers their covenants contained in said contract, and in event of the failure to cease such conduct within the next 10 days that the president and secretary of the operators' association shall call a special meeting of the members thereof for the purpose of considering the final dissolution of its association on the specific ground that it is useless to enter into contract obligations with a body that steadfastly refuses to fulfill the same and which no official apparently has power to enforce.

"Yours, truly,

"W. R. ROBERTS, *Secretary.*"

Now it is quite possible, Mr. Mitchell, that you may know what was the outcome of this and how the thing finally ended?

Mr. MITCHELL. No; I don't know anything about it. Some recent letter, is it? Commissioner WEINSTOCK. It is dated December 12, 1913.

Mr. MITCHELL. I don't know anything about it; never heard of it at all, and so have no knowledge of it.

Commissioner WEINSTOCK. So you see, according to this, that there were over 100 strikes in that one district in violation of the agreement that there should be no cessation of work and that differences should be peaceably adjudicated.

Mr. MITCHELL. Well, of course, in the mining industry it frequently happens that men stop work simply because there are such infractions of law that they can not continue at work; and in most districts where they have a contract that is not regarded as a violation of the contract. For instance, the mine owners now have come to understand that it is no violation of the contract for men to refuse to go to work when a mine is unsafe. For instance, very frequently it happens in a mine there is a dangerous accumulation of gases; and although there is no provision in the contract which says that they shall stop work, yet the men do stop work. Again, cases arise where the scales are not in order and the coal can not be correctly weighed, and the men then refuse to work until the scales are put in order, and then they go to work. Now, instances of that kind can be referred to as violations of the contract, yet no one familiar with the trade would charge a violation of contract if they were doing it for a purpose and a good purpose.

Commissioner LENNON. Just one question on that: Mr. Mitchell, that district where Mr. Gilday was president, is it not the district in which only part of the mines are union and part nonunion?

Mr. MITCHELL. Yes.

Commissioner LENNON. Might that have any bearing on this matter?



Mr. MITCHELL. I don't know whether that would account for it or not, but there is a large territory in central Pennsylvania that is entirely nonunion.

Commissioner WEINSTOCK. You are perhaps not aware, Mr. Mitchell, in this particular case it was not a question of wages or hours of labor or of working conditions, but of the closed shop, for it goes on to recite:

"Whereas notwithstanding the fact that rule No. 15 provides 'the right to hire and discharge, the management of the mine and the direction of the working forces are vested exclusively in the operator,' and the United Mine Workers of America have absolutely disregarded this rule in that they have at numerous times served notices on substantially every operator belonging to our association that unless all of the employees working for such operators should become members of the union on or before certain dates mentioned in such notices that they, the mine workers, would close or shut down the operators' respective mines."

Mr. MITCHELL. Mr. Commissioner, it is important to properly understand that section of the contract that other sections of the contract be also read. As a matter of fact, that section of the contract is to be taken into consideration with other sections. For instance, it provides that men can not be discharged at the whim of the operator; it provides that if a man be discharged, he may demand payment for the time that he is idle if it be shown that he was unjustly discharged. The contract is predicated upon the fact that the men in the mine are members of the union, because the union is held responsible for the contract, and that language is in every contract we write in all the coal fields of the United States. And yet there is no question arises about the question of unionism or nonunionism. Nonunion men may be employed under the section of the contract which provides that the union may then—that the operator will then deduct from his wages the amount of his dues and the amount of the initiation fee. So I take it that the central Pennsylvania contract also has that provision, and therefore the other and following sections would very much modify the section you have just read. I would say it would be necessary for the commission to read the whole contract before they could formulate a judgment as to whether or not a refusal to work with nonunion men was a violation of the contract.

Commissioner WEINSTOCK. In this particular case you are not qualified to answer, because you are not familiar with the facts.

Mr. MITCHELL. I do not know the facts at all.

Commissioner WEINSTOCK. And the third, the objection raised by the operators for entering into a contract with the United Mine Workers of America, I would suggest, is the check-off system. Will you give the commission your point of view on that, the reasonableness or unreasonableness of the check-off system?

Mr. MITCHELL. Yes. It would be necessary to go back a good many years, to the early history of the United Mine Workers of America, to explain it.

The United Mine Workers of America was organized in January, 1890, and it had a precarious existence up to 1897. At that time a national suspension of work occurred in the Central and some of the Western States, which resulted in the establishment of, in a general way, the United Mine Workers of America.

Now, after they were organized, and after they had entered into contractual relations with mine owners, the miners adopted a system of card inspection, as is customary in other trades; that is to say, once each month a committee of the miners would meet the men going to or coming from the mines and ask them to show their cards to see whether their dues had been regularly paid; and if the men did not pay their dues, the members of the miners' union said: "Gentlemen, you can go to work if you want to, but we are not going to work."

The operation of the mines was interfered with in this way, and the mine owners in some States stated to the representatives of our union: "Gentlemen, rather than have this constant quarreling about the question of paying dues and showing cards, we will check off these dues through our officers. We will be your bookkeeper. Now, in some of our districts that was the basis upon which what is called the check off in the mining industry was introduced. It has grown. It is a general condition of employment in coal mining wherever mines are operated by union men, except the anthracite coal fields, the check-off system exists. It exists not alone by demand of the miners, but it exists in many cases by reason of the mine owners' determination that the United Mine Worker of America shall be responsible for the contract.

Most all mine owners say that of course they would rather operate their mines and properties without union men at all, but "If we are going to have

union men, we want them all to be union men, and we want your union to be responsible for this contract, and we hold you responsible."

So that is the history of the check off.

Commissioner WEINSTOCK. Well, then, from the explanation you make, Mr. Mitchell, the initial step was really taken on the part of the operators?

Mr. MITCHELL. In some of our districts; not in others.

Commissioner WEINSTOCK. I see.

Mr. MITCHELL. In some; not in others. In others that was demanded by the miners themselves.

Commissioner WEINSTOCK. Have you any way of telling how many coal mines are in the country?

Mr. MITCHELL. Oh, no; but a great many thousand—eight or ten thousand. I may be two or three thousand wrong about it.

Commissioner WEINSTOCK. Is there any data showing what proportion of these mine owners recognize and deal with organized labor?

Mr. MITCHELL. Well, it would be quite easy; it would not be difficult to get that information. I can get it for you, but I can not get it now. I can not give it now, but I say, generally, that all the miners and mine owners of the following States make a contract with each other and are union mines: All the mines in the State of Washington, Montana, Wyoming, Kansas, Missouri, Arkansas, Oklahoma, Illinois, Indiana, Ohio, and most of Pennsylvania.

Commissioner LENNON. Iowa, does it not?

Mr. MITCHELL. Iowa, Michigan, and I think that perhaps covers it. Now, the State of—

Commissioner WEINSTOCK. And West Virginia?

Mr. MITCHELL. No. In the following States the unions are in some districts: West Virginia, part of the State; the only State that I recall as entirely non-union, in which much coal is not mined, is the State of Utah, which does not produce very much coal; Colorado and West Virginia and the small part of Virginia which produces coal.

Commissioner WEINSTOCK. Where could this commission, Mr. Mitchell, get a list of the operators who recognize and deal with organized labor in the mining industry?

Mr. MITCHELL. Well, they have organizations of their own, the mine owners have State organizations, such as in Chicago could be found the operators of Illinois, the Illinois Operators' Association, and in Columbus, Ohio—

Commissioner WEINSTOCK. Could the mine workers' association furnish us with the list?

Mr. MITCHELL. Yes; their trade in general would furnish it, the editor of any of the coal operators' trade papers would have the list. I can not give it to you myself, because I do not recall just what it is.

Commissioner WEINSTOCK. But it is available?

Mr. MITCHELL. Oh, it is available; yes.

Commissioner WEINSTOCK. Then, I gather further—

Mr. MITCHELL (interrupting). By the way there is what is called the American Federation of Coal Operators, of which Mr. H. N. Taylor, now of Kansas City, is its president, and can be found by addressing a letter to the Keith & Perry Building, Kansas City, Mo.

Commissioner WEINSTOCK. That would take in all the operators in all the States?

Mr. MITCHELL. It is an attempt to organize a national organization of coal operators, but it does not include all of them. But they do have the addresses of all the State associations.

Commissioner WEINSTOCK. Well, roughly speaking, what proportion do you think, Mr. Mitchell, speaking offhand, of the men work under union conditions?

Mr. MITCHELL. I should say approximately 75 per cent.

Commissioner WEINSTOCK. About 75 per cent?

Mr. MITCHELL. Yes. Now, that will not be clearly reflected in the membership of the United Mine Workers' of America. Their membership will be approximately 400,000, whereas there are about 700,000 men in the mines. But the difference between the 75 per cent and the two figures I have given is accounted for by the fact that the coal miners, like some other citizens, do not do what they should, and dodge their taxes and that don't show on their full membership.

Commissioner WEINSTOCK. Is it possible for operators to enter into agreements with the United Mine Workers' of America and have what is known as



the open shop, or is the closed shop one of the conditions, one of the unavoidable conditions?

Mr. MITCHELL. It is not referred to at all in the contract. There is not a word stated in the contract about whether it is open shop or closed shop. I presume you use the term "closed shop" as being a union shop?

Commissioner WEINSTOCK. Yes, certainly; union.

Mr. MITCHELL. Of course we do not—that is, we regard that as a misnomer—and we never call a shop that employs all union men a closed shop.

Commissioner WEINSTOCK. You would call it a union shop?

Mr. MITCHELL. A union shop. We call the shop where no union men can be employed a closed shop.

Commissioner WEINSTOCK. We have discovered in our investigations, Mr. Mitchell, that three or four different kinds of shops are designated; there is what is known as the closed shop, which is ordinarily understood to be a union shop.

Mr. MITCHELL. Yes.

Commissioner WEINSTOCK. And then there is what has been called the open shop where union and nonunion men are employed regardless of their affiliations, and then there is what is known as the nonunion shop where union men will not be employed knowingly.

Mr. MITCHELL. Yes.

Commissioner WEINSTOCK. Now, the United Mine Workers' of America does work under which of these three conditions?

Mr. MITCHELL. In the anthracite coal fields, in which there are employed now about 170,000 mine workers, they have what might be termed an "open shop." I mean that in the sense that either man can work, whether members of the union or where a contract is made not with the union but with the representatives of the union. That is, the anthracite contract now in existence is not a contract between the United Mine Workers' of America and the anthracite coal operators; it is the contract between the representatives of the anthracite coal miners and representatives of the coal operators. But these representatives are the officers of the United Mine Workers' of America, and in that case both union and nonunion men are employed, although an overwhelming majority of them are union men.

Commissioner WEINSTOCK. Well, if an employer is given the right to employ anybody that he please conditionally; that is, he must check off every man regardless of his affiliations and turn into the union a certain fee, monthly dues to the union; doesn't that automatically make of the worker a union man?

Mr. MITCHELL. It does.

Commissioner WEINSTOCK. Whether he wants to be one or not; that is, he has no option in the case?

Mr. MITCHELL. Well, of course he wants to be one. There are no workmen who do not want to belong to the union. I mean that the number of workmen in America or in the world who are outside of the union are not because they wanted to, but simply because they are where they can not join. The reason that they are not members of them is because either there is no union of their trade, as in some of the smaller trades, or that they are prevented from joining the union; but it is just as natural for the workmen to want to and desire to join a trade-union as it is for a citizen to want to vote.

Commissioner WEINSTOCK. Well, are there not many workers who, while they are very willing to enjoy all the advantages that unionism gives them, are not willing to bear their share of the burden?

Mr. MITCHELL. Not many.

Commissioner WEINSTOCK. That is, they want the other fellow to hold the umbrella while they stand under it?

Mr. MITCHELL. No; I think there are not so many. I think that they desire to belong to trade-unions—that the desire to belong to the trade-union is general among workmen.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. Commissioner Harriman would like to ask you some questions.

Commissioner HARRIMAN. Mr. Mitchell, would you give us your definition of industrial democracy?

Mr. MITCHELL. Well, of course, I know of the various definitions that have been given by some, stating that democracy in industry means the ownership of industry by the people, or that they may own stock in an industry, or that they may share in the profits of industry, but I can not accept any of those

definitions as being the correct one. In my judgment, democracy in industry is the freedom of the workmen to belong to their unions, the right of the workmen to sell their labor collectively, and I think that you come nearer to industrial democracy in a well-organized industry than you do in any other place that you can find. The unions themselves are the most democratic of all institutions. Every member, whether he be a member 10 years or 1 year, has precisely the same rights and the same voice.

Commissioner HARRIMAN. That is all, Mr. Chairman.

Chairman WALSH. Commissioner Lennon would like to ask some questions.

Commissioner LENNON. Mr. Mitchell, in answering questions as to collective bargaining—as to what collective bargaining is—quite a number of witnesses have testified that it means an attempt on the part of the union to control absolutely the industry, to have to do with the financial part of the industry, to have to do with the business policy of the industry. Now, will you tell us what collective bargaining really is in the mine workers and what it deals with?

Mr. MITCHELL. Well, in the miners' union it deals with no other question except wages and hours of labor and their conditions of employment. There is absolutely no attempt to control the business end of the industry. The mine owners have absolute control of that feature of it. They sell their coal wherever they please and at whatever prices they please. They operate their mines whatever periods they please, and the miners have nothing to do with that.

Collective bargaining in the mining industry simply means that once every one or every two years, as the case is now, the mine owners of a number of States, as, for illustration, we have what is called our central competitive coal fields and our southwestern coal fields and our eastern coal fields, but our central competitive field includes Ohio, Indiana, Illinois, and western Pennsylvania. Every two years delegates are sent from the miners and from the mine owners and they meet there in conference and mutually agree as to wages, hours of labor, and conditions of employment that shall prevail during the life of the contract. All that is discussed are the wages, hours of employment, and conditions of work.

Commissioner LENNON. Is that true of every trade—is that true of every other trades-union, so far as your information goes?

Mr. MITCHELL. Yes, sir; as far as my information goes.

Commissioner LENNON. In the matter of violence in labor disputes, is it from the initiative of the individual or the initiative action by the union wherever such things occur?

Mr. MITCHELL. So far as I have known, it has been simply quarrels that might arise between individuals if there were no strikes and no union of men. The violations of law are between individuals and not on the part of the union as a union. I do not think any union would tolerate any violence in the union.

Commissioner LENNON. We have had that kind of testimony, that is was authorized by the unions. You have had a large experience, and I will ask if you know anything of the kind?

Mr. MITCHELL. I do not. I never knew of anything of the kind.

Commissioner LENNON. Take the district of the country where you lived so long, in Illinois, in Spring Valley, in that coal district; what change have you noticed in the miners and in their families in that neighborhood as to the way they live, as to their sobriety, the improvement of their morals, the education of their children, and the other things that are fundamentally essential to growth?

Mr. MITCHELL. Well, the change has been so remarkable that it is difficult for anyone to appreciate the change unless they had observed it. For instance, when I started to work in the mines it was lawful to work children at any age at all. I was more fortunate myself in that I was not compelled to go into the mine until I was 12 years of age, but sometimes they started to work when they were but 8 years old. However, I worked two years on a farm, and so I did not go into the mines until I was 12.

Now, in Illinois they are not permitted to work in the mines until they are 16. The wages of their fathers are sufficient to take the boys and give them opportunities they could not have had years ago.

Now, as to the moral elevation of the workers, I think that if sociologists, and if scientists, were asked they would agree that a reduction in the hours of labor means an advancement in the moral and intellectual standard of the people. I think that it is the uniform testimony of the scientific men who have



investigated the subject. The miners of Illinois when I was a boy worked from 12 to 13 hours a day; they now work a maximum of 8 hours a day.

May I point out this result? In the early days of mining drinking was quite the custom of miners. It was one of those trades in which drinking was quite the custom. I recall when I went to Colorado, when I was 16 years of age, and went into the mining camp, and at that time I did not drink, I was regarded then with disfavor and referred to as a "sissy" coming out of the East because I could not and would not drink. That is all changed. After the United Mine Workers of America had become strong and wages had been advanced until they were tolerably reasonable, the mine workers of Illinois voted every saloon out of the country. In those particular counties the miners were in an overwhelming majority—in some instances as high as 95 per cent were miners—and in those districts the saloons were voted out of existence, and in the State of Ohio in nine counties the miners were in the majority and voted the saloons in those counties out of existence. In some places they have been voted back. I speak of this as an indication of the attempt on the part of the miners to drive out of the industry the sources of evil, and this is typified by the southern Illinois miners voting the saloons out of business.

Commissioner LENNON. That is all, Mr. Chairman.

Chairman WALSH. Commissioner Ballard would like to ask some questions.

Commissioner BALLARD. I understood you to say in the first part of your testimony that the union should have greater responsibility. Do you mean by that that the union should be incorporated, so that thereby they should be more responsible, or in other ways?

Mr. MITCHELL. No; I mean that in contracting with employers a great degree of responsibility—the greatest degree of responsibility should be placed on the union. Instead of withholding responsibility, the employer should insist on responsibility; that is to say, the contract should be drawn in such a way that the union is made morally responsible for its observance, so that the union men could not say, if the contract were violated, that it was because they had no responsibility.

Commissioner BALLARD. You are not in favor, then, of the incorporation of the unions in order to make them financially responsible?

Mr. MITCHELL. I do not think incorporation gives financial responsibility or creates financial responsibility. As a matter of fact, I understand that firms incorporate not to give but to limit responsibility. That is the purpose of the incorporation; to limit financial responsibility and not to increase it.

Commissioner BALLARD. It is to limit individual responsibility, but to increase collective responsibility?

Mr. MITCHELL. It is not to limit financial responsibility, because the financial responsibility is limited by the amount of the incorporation—of the capital stock.

Commissioner BALLARD. You are not in favor of that incorporation?

Mr. MITCHELL. I think it would lead to no good purpose and would lead to bad purposes.

Commissioner BALLARD. Don't you feel that a vast and powerful organization like the United Mine Workers of America, with its 400,000 members, and their large financial contributions monthly—don't you think that gives it a power to coerce individual employers who are perhaps not in so powerful an organization and not able to withstand them?

Mr. MITCHELL. You mean employers who have contracts with the union?

Commissioner BALLARD. I mean, does it not give the union the power to enforce or coerce employers and dominate them under those circumstances?

Mr. MITCHELL. They can not do that because the small employer has the same contract with the union as has the large employer; it is not made with the small employer, but with the employers collectively. But, if you referred to employers whose men are not members of the union, of course, powerful organizations have funds to prosecute the work of the organization, but the operations of the union would not be involved in that question because, whether incorporated or not, they would legally and morally have the right to try to organize the men in that trade.

Commissioner BALLARD. It does not take very long for the average immigrant to become a coal miner, does it?

Mr. MITCHELL. Well, it takes a long time for him to become a skilled coal miner. He does become a coal miner without any experience at all; that is, is given work in the mines.

Commissioner BALLARD. I mean, with the unlimited and unrestricted immigration we have, and the fact that the miners' union has raised conditions and shortened hours, and raised wages, does that not present a very tempting thing for the average immigrant to try to get into, and does that not have a tendency to overrun the unions, and how does the union prevent so many men coming in that there would not be more workers than there is work?

Mr. MITCHELL. They do not do it; there are more workers than there is work. The number of average days that the union men work is 200 in a year. I think during 15 years it will not average to exceed 200 days a year. There have always been employed in the mines one-third more men than necessary to produce the amount of coal consumed in the United States and exported from it, and it is an industry that is at all times overrun with workers; but the union does not attempt to prevent it. The union admits to membership anyone who comes, and they do not attempt to prevent men from securing employment. Of course, I say the industry is made up very largely of non-English speaking immigrants.

Commissioner BALLARD. I asked the question of Mr. Lawson the other day and he answered it very comprehensively as to checkweighmen; that is, his idea was that they wanted checkweighmen because—in order that the individual men might be treated fairly?

Mr. MITCHELL. Yes; they wanted checkweighmen in order that he might see the coal weighed and that he might make a record of it. The company's weighman carries one sheet and the checkweighman carries another sheet, and they compare their sheets, and they must be alike or otherwise there has been a mistake somewhere, and that has been a demand on the part of the miners for so long back that I can not remember, and the laws of practically every State in the United States provide that miners shall be permitted to employ checkweighmen.

Commissioner BALLARD. That is all, Mr. Chairman.

Chairman WALSH. Commissioner Garretson has a few questions to ask.

Commissioner GARRETSON. Mr. Mitchell, in your opinion, when the law as personified in the State fails to perform or to furnish—fails to furnish the protection that the law guarantees to the individual, what usually happens?

Mr. MITCHELL. The men take the law in their own hands. That has been the story all through history, that men have attempted to make laws for themselves in their own way. As a rule, every great advance in human betterment has been accompanied by failure to observe law. Historically, I should say that nearly every step that has been made in human progress has been the result of failure to observe law; I suppose the American Government was founded on refusal to observe law. [Applause.]

Chairman WALSH. Will that gentleman retire who started that, please? If that occurs again, I will have to ask that you be escorted from the room by the sergeant at arms. We do not allow anything like that.

A VOICE FROM THE AUDIENCE. I did not know the rule.

Chairman WALSH. Preserve perfect order, please. Please proceed, Mr. Mitchell.

Mr. MITCHELL. Slavery was abolished through a violation of law. The conspiracy laws of the United States and of the State—I will not say of the United States, but the conspiracy laws of the States of this Union were repealed because men refused to obey them.

Commissioner GARRETSON. As lawbreakers—assuming that law has been broken, whether it was or not, was the assembling or enlisting of a large body of men, armed and paid by the mine owners, exactly equivalent and a fair parallel with what would have taken place had men in large numbers answered the call to arms that was issued by the miners in Colorado?

Mr. MITCHELL. Why, I should think that precisely the same question was involved—whether technically one was kept within the law and the other outside of it, but surely when a mine guard, paid by the coal companies—when mine guards paid by the coal companies were given suits—given the uniform of State troops and given arms to go out and represent the State of Colorado, that in that instance there was a most flagrant violation of law—that it violated the spirit of the law, whether it violated technically the letter of the law I do not know, but I have never in all my life heard of a proceeding that was so contrary to a true and proper conception of law as putting a soldier's uniform on a private guard and letting him go out and perform the functions of the State.



Commissioner GARRETSON. Great emphasis has been placed before this commission by many witnesses in regard to the incorporation of unions on the ground that it constitutes a means whereby legal liability could be placed upon the unions. Have you ever known of an instance where a union has brought legal proceedings for damages against an incorporation or individual employer for damage suffered during a lockout?

Mr. MITCHELL. I do not know of one instance.

Commissioner GARRETSON. Now, in regard to one or two social questions. There has been a great deal of testimony given here in regard to the so-called beneficial or philanthropic phases of benefit schemes originated by individual employers. Do you believe that any system of social insurance, whether—well, with one exception, and that is the payment of death benefits—can be properly and equitably applied, except under State supervision, and I am using "State" in its broadest sense; can it have value if it depends upon, at any rate, faithful or loyal service?

Mr. MITCHELL. I think that the private benefaction, the undertaking of various systems of benefits by employers themselves, have this very great element of weakness: What it is within the power to give is within the power to withhold or withdraw. Therefore the workmen have no guaranty at all that these so-called benefactions will continue for any given length of time. They will probably continue during good behavior and be withdrawn at the wish or will of the employer, and therefore, I think, they can not be of the greatest permanent value; and I repeat again that I want to give full credit to the employers who do introduce systems helpful to the employees, but if they expect or hope that such private benefactions will prove a substitute for collective bargaining and for trade-unionism, then they are in error, because they will not prove a substitute. They may for a period, but ultimately the workers will assert their right to organize; that is, they will assert their right to a real voice, an effective voice, in determining the conditions of their labor.

Commissioner GARRETSON. Does not any such system founded upon tenure reflect an attitude of the employer which is vicious and unwise?

Mr. MITCHELL. Well, I think it is. I think it is an attempt to hold the worker to his job, and, of course, that has been, from the very beginning of history, in some form or another—the desire has been to compel workers to stay at their jobs, whether it be in the days when all labor was performed by slaves or whether it be in the period when men were tied to the land in the feudal ages or whether it be now at this present time, attempts are constantly being made to compel the workmen to stay on their job.

Commissioner GARRETSON. Great stress has been laid upon various forms of industrial and social legislation that have been enacted in the past few years for the benefit of workers. I assume your experience as a labor unionist has impressed the history of such legislation in this country upon your mind?

Mr. MITCHELL. Yes; I have some knowledge of it.

Commissioner GARRETSON. Now, in your experience what has been the greatest agency in causing agitation for and the securing of improvement in labor conditions?

Mr. MITCHELL. Oh, trades-unionism. There is no question about it. There is not one bit of legislation for protecting the workmen on the statutes of any of the States that did not have its inception in the minds of organized wage earners. It is true that the workers have received and are now receiving splendid aid from other associations. Other associations of men and women have aided and are aiding in securing excellent remedial legislation. But it is the wage earners who have inspired such legislation; it was they who initiated it; it was they who secured its passage.

Commissioner GARRETSON. Now, on one other subject: In your experience in dealing with the problems that confront laboring men have you found any greater factor in creating the evils to which labor is subjected than the one of want of continuity of employment?

Mr. MITCHELL. Oh, I think that the irregular employment and lack of security in their employment have contributed more to unrest than anything else I can now think of, of course, except this, and it is related to it: I think the great cause of unrest in America, and perhaps among the workers of the world, is the inequitable distribution of wealth; and that, of course, is caused partly by irregularity in employment and, of course, by low wages.

Commissioner GARRETSON. But accepting the industrial condition as we have it, you would assume the other to be one of the most potent factors in the creation of the causes as they do exist?

Mr. MITCHELL. Yes; I would think it was a very great factor.

Commissioner GARRETSON. That is all, Mr. Chairman.

Chairman WALSH. Commissioner O'Connell says he has one or two questions to ask.

Commissioner O'CONNELL. I had a whole list of questions here, Mr. Mitchell, but they have all talked them out. But I have one here that I wish to refer to in regard to organizations being incorporated and so becoming liable. There have been such things as organizations being held liable to the employer without being incorporated, for instance, in the case of the hatters.

Mr. MITCHELL. Oh, yes; the hatters is a case in point, where the union members were sued, by decision of the United States Supreme Court affirming the award made against them running into something like \$300,000.

I have just been a witness in a suit in which a lawyer sues the United Mine Workers of America for \$200,000; and his right to sue was not denied. I think we would have won the case on its merits. He was thrown out of court simply on the ground that he had not properly brought his suit; but the right to pursue the United Mine Workers of America for \$200,000, even though they be an unincorporated organization, was not denied.

Commissioner O'CONNELL. There have been a number of suits instituted against the organization, have there not, in the years gone by, and during the time in which you were president of the United Mine Workers of America, for larger sums than that?

Mr. MITCHELL. And in Colorado where there were suits instituted against the United Mine Workers of America for half a million dollars. It was settled out of court, but it was not settled out of court because there was any denial of the right of the companies to sue.

Commissioner GARRETSON. Mr. Chairman, one other question along that line: Have you any knowledge from your actual experience in the services of the State as to the fact that fraternal insurance companies unincorporated are regularly sued in the courts for the recovery of certificates or policies which they issue?

Mr. MITCHELL. Yes; that is my information, although I do not know so much about that.

Commissioner O'CONNELL. Mr. Mitchell, if you were a member of this commission and, as we are instructed by Congress to recommend some remedial legislation for industrial unrest, what would be your recommendation along that line?

Mr. MITCHELL. Well, gentlemen, I should regard that as the most difficult of all the questions you have asked me to-day. I think that Congress should do a good many things—not to prevent unrest, but to direct unrest into wise and into constructive channels. For instance, I think that Congress should pass the law now pending prohibiting the transportation of goods made by children in interstate commerce. I think that is one of the things that they should do.

After some reflection, and I say this yet with some qualifications, I think Congress should create a permanent commission that would have power to mediate in industrial disputes. I think a commission of high-class men—representative men—having authority from the Federal Government to investigate a pending industrial dispute or a dispute that has arisen, and endeavoring to do what it could to adjust the question in controversy, would be of value, and that it would be attended by few dangers.

I think that the functions of these great foundations should be so defined by law that they would be compelled to limit their activities in harmony with the charters under which they were founded.

I think perhaps it would be of great advantage if corporations doing an interstate business would be required to make periodical reports as to the number of their employees and hours of labor and wages paid to these employees in such divisions or classifications as to give the public a real understanding of what wages the men were paid. I have observed the testimony put in before this commission, saying, for instance, that the workmen receive an average of so much—that their employees received an average of so many hundred dollars a year. But unless the papers have failed to report fully the proceedings, it did not indicate what employees received these wages. Perhaps the president of the company may have been classed as an employee in the schedule of earnings filed with the commission.

I think that the State governments should establish a minimum rate of wage for women and minors. I think that the State should limit the hours of labor of men. I believe that they should limit to eight the number of hours which



any man may be employed in industry; and I think the Government itself should see that its eight-hour law is made or extended so as to include materials purchased for the Government. As an illustration of that, I think that when the United States Government purchases its fuel supply it ought to be required to purchase that supply from companies whose men work eight hours a day instead of doing, as it now does, pass by the 75 per cent of mine owners whose men work 8 hours a day and go to the few miners whose men work 10 hours a day to buy their coal for the Government. I have not in mind just now other suggestions which I think would be of value.

Commissioner LENNON. What about vocational education?

Mr. MITCHELL. Yes; I think our Government should take up systematically the question of vocational training. In other words, I think that our school system should be so remodeled as to provide—particularly in the high schools—for courses of technical training that would give to the boy or girl who is going into industry the same advantages that are now given by the high schools to the boy or girl going into the professions. The children of the workingmen are at a very great disadvantage, inasmuch as there is no training for them in the high-school system unless perchance for those who are to enter the professions.

Commissioner LENNON. You mean, too, when you speak of legislation which should prohibit, you mean that you would prohibit the interstate transportation of armored guards?

Mr. MITCHELL. I would. I testified before the congressional committee investigating the Colorado strike. I testified there that in my judgment the Federal Government should prohibit the interstate transportation of armored guards.

Commissioner LENNON. And that would apply to private detective agencies?

Mr. MITCHELL. It would.

Commissioner LENNON. And apply to detective agencies of all kinds except those otherwise by law authorized to go from State to State?

Mr. MITCHELL. Yes, sir.

Commissioner LENNON. You would prohibit by legislation the transportation of persons from one State to another unless their purpose was legalized by law; in other words, was not illegal?

Mr. MITCHELL. Yes.

Chairman WALSH. That is all. Thank you. You will be excused permanently.

Mr. Morgan.

#### TESTIMONY OF MR. JOHN PIERPONT MORGAN.

Chairman WALSH. The house will please be in order so that we may proceed with the hearing.

Will you please state your name?

Mr. MORGAN. John Pierpont Morgan.

Chairman WALSH. Where do you reside?

Mr. MORGAN. New York.

Chairman WALSH. What is your business?

Mr. MORGAN. Banker.

Chairman WALSH. In what corporations are you a director at the present time?

Mr. MORGAN. I am a director of the United States Steel Corporation, the Northern Pacific Railway, and the International Mercantile Marine, the Pullman Co.; I do not think of any others at the moment.

Chairman WALSH. The Western Union?

Mr. MORGAN. No.

Chairman WALSH. Have you ever been a director in the Western Union?

Mr. MORGAN. I was for a short time; yes.

Chairman WALSH. In what other corporations do you own or represent any considerable amount of stock?

Mr. MORGAN. I do not know, sir. Represent in what way do you mean?

Chairman WALSH. Well, in any way that you might as a banker habitually hold as collateral, I would suggest as one way?

Mr. MORGAN. It would be a very long list. I could not give list without going to the books and make up a list of the people that borrow on stocks and have them on deposit with us. It would be too long for any use.

Chairman WALSH. Do you have in mind what you might call the principal ones; the largest ones?

Mr. MORGAN. No.

Chairman WALSH. That you say you habitually represent?

Mr. MORGAN. No; we have large numbers of people, clients that hold New York Central stock and Southern stock and the Erie stock and a dozen or fifty corporations.

Chairman WALSH. Please outline briefly the character of your connection with all the corporations in which you are interested; begin with your own banking company first.

Mr. MORGAN. I am a partner; it is not a company, it is a firm.

Chairman WALSH. A partnership?

Mr. MORGAN. A partnership firm. I am a director of the companies I gave you the names of.

Chairman WALSH. Are you on any executive committees or finance committees of any of these companies?

Mr. MORGAN. I am on the executive committee of the steel company and of the Pullman Co.

Chairman WALSH. What is the business—

Mr. MORGAN (interrupting). And of the International Mercantile Marine.

Chairman WALSH. What is the business of the International Mercantile Marine?

Mr. MORGAN. The International Mercantile Marine, it is the owner of stock in certain steamship companies and the owner of some steamships directly.

Chairman WALSH. What steamship companies is it an owner of?

Mr. MORGAN. A line, the White Star Line, the Dominion Line, and a certain amount of stock in the Leland Line, and it is the American Line; it holds those steamers directly, and the Atlantic Transport Line. There may be one or two other smaller companies that I do not now recall.

Chairman WALSH. How many employees would you say there are in the International Mercantile Marine and in those companies in which it owns the stock?

Mr. MORGAN. I have not an idea, sir.

Chairman WALSH. Could you approximate it?

Mr. MORGAN. No; I could not approximate it.

Chairman WALSH. Could you give it within thousands?

Mr. MORGAN. I do not know.

Chairman WALSH. Have you ever made any inquiry, Mr. Morgan, to ascertain?

Mr. MORGAN. The total number? No.

Chairman WALSH. What is the Millbrook Co.?

Mr. MORGAN. The Millbrook Co.? The Millbrook Co. was a company that was formed by the New Haven road, I believe, about 1906 or 1907; but that I have no interest in.

Chairman WALSH. Were you ever a director in that company?

Mr. MORGAN. No.

Chairman WALSH. Are you on any committee of the Northern Pacific Railway Co.?

Mr. MORGAN. No. I have been on it, but I am not on it at the moment.

Chairman WALSH. What committee did you serve on?

Mr. MORGAN. On the executive committee there.

Chairman WALSH. How many employees would you say that the Northern Pacific Railroad Co. had?

Mr. MORGAN. I do not know, sir. That is all a matter of publication.

Chairman WALSH. Could you tell within thousands?

Mr. MORGAN. No; I have not an idea. I have not made an inquiry about it.

Chairman WALSH. How many employees has the United States Steel Corporation?

Mr. MORGAN. And its subsidiary companies?

Chairman WALSH. And its subsidiary companies.

Mr. MORGAN. I believe somewhere about 170,000 at the moment.

Chairman WALSH. And how many employees has the Pullman Co.?

Mr. MORGAN. That I do not know either.

Chairman WALSH. First, as a director in the International Merchant Marine, do you receive reports which give you information regarding the conditions, financial and otherwise?

Mr. MORGAN. Financial condition; yes.



Chairman WALSH. And what other reports do you receive? Does the financial report contain a report of all of their activities?

Mr. MORGAN. I think so.

Chairman WALSH. Do you receive any reports other than financial reports?

Mr. MORGAN. No; I do not see any.

Chairman WALSH. What report do you receive in your capacity as a director in the Northern Pacific Railway?

Mr. MORGAN. I read the minutes of the executive committee, and we receive reports of the officers and financial reports and the report of general conditions along the line.

Chairman WALSH. What is the report of general conditions; what does it consist of?

Mr. MORGAN. Condition of the prospect for business, crop outlook, and all that sort of thing which has to do with the railroad.

Chairman WALSH. How do those reports come to you, Mr. Morgan?

Mr. MORGAN. They come to us at the meeting; the financial report I get by mail.

Chairman WALSH. Now, would you please indicate again fully the character of the reports that come to you at the meetings that do not come through the mail—financial reports, for example?

Mr. MORGAN. The minutes of the executive committee, which are read and approved or disapproved and commented on; they are general reports from the officers of the company on the conditions of business along the line and the prospect for the line, and what it needs.

Chairman WALSH. Includes sales?

Mr. MORGAN. Sales of land.

Chairman WALSH. Anything else?

Mr. MORGAN. That is all the Northern Pacific has to sell, except transportation, sir.

Chairman WALSH. Now, the United States Steel Corporation—what general reports do you get from that company aside from financial reports?

Mr. MORGAN. We get reports of orders in hand, get reports of how the business is going, reports on anything that comes up in the management of the subsidiary companies about which they wish information of the finance committee.

Chairman WALSH. In the annual reports of the United States Steel Corporation do you get the physical condition of the plants and what might be called an inventory of its property?

Mr. MORGAN. That is all in the annual report.

Chairman WALSH. That is all in the annual report?

Mr. MORGAN. Yes.

Chairman WALSH. And you do not get that in any other reports that you recall?

Mr. MORGAN. No; I do not know anything more than we get in the annual reports.

Chairman WALSH. Did I understand you to say that you held some position on a committee in the Pullman Co.?

Mr. MORGAN. Yes; but that is—the amount of work done there is very small.

Chairman WALSH. What position do you hold in that company?

Mr. MORGAN. Simply I am one of the directors, and on the finance committee and executive committee.

Chairman WALSH. What is the function of the finance committee of the Pullman Co.?

Mr. MORGAN. To hear financial reports.

Chairman WALSH. Anything else?

Mr. MORGAN. I have not—the meetings that I have been to, I have only been on that for a year or a little more, and the meetings that I have been to there has been nothing but that.

Chairman WALSH. The financial report of the Pullman Co.; does that contain a statement as to the amount and the physical condition of its property?

Mr. MORGAN. Yes; the number of cars on the road and all that part of the business; yes.

Chairman WALSH. And indicates the cars that it has built and the number they have to propose to build, and such matters as that?

Mr. MORGAN. Yes.

Chairman WALSH. How many meetings of the board of directors of the International Mercantile Marine have you attended during the year 1914?

Mr. MORGAN. I do not know. They meet approximately once a month and the executive committee, the finance committee, meets once a week, and when I am here on the Tuesday that it meets I always go.

Chairman WALSH. And as a member of the board of directors how many would you say you have attended during the year 1914?

Mr. MORGAN. During the year I should think I probably attended, if there were 12, I probably attended 10 of them.

Chairman WALSH. Now, some questions as to the United States Steel Corporation:

How many would you say you have attended during the year 1914?

Mr. MORGAN. Probably the same amount. They come on the same day of the week.

Chairman WALSH. And the Pullman?

Mr. MORGAN. The Pullman meetings come less often—about three or four meetings.

Chairman WALSH. Take the case of the International Mercantile Marine; how long do those meetings last?

Mr. MORGAN. They may last half an hour or they may last five minutes or they may last an hour, depending upon what comes up for discussion.

Chairman WALSH. How many—it would range somewhere between five minutes and an hour, I take it?

Mr. MORGAN. Yes; probably.

Chairman WALSH. Now, the United States Steel Corporation.

Mr. MORGAN. The finance committee meeting takes about the same time. They never take so little as five minutes; take from 20 minutes to an hour.

Chairman WALSH. And the directors' meetings?

Mr. MORGAN. The directors' meetings vary, depending on how much business there is to come before them; perhaps half an hour.

Chairman WALSH. And you probably in the United States Steel Corporation devote altogether during the year probably 12 or 15 hours, if added together, to the meetings?

Mr. MORGAN. That is, at the meetings; yes.

Chairman WALSH. And outside of the meetings?

Mr. MORGAN. No, wait a minute. Fifty-two weeks in the year, the finance committee meets every week; the finance committee meetings take at last half an hour, I should think.

Chairman WALSH. That committee meets every week?

Mr. MORGAN. Yes.

Chairman WALSH. I will leave the finance committee out for the moment and take the directors' meeting.

Mr. MORGAN. Yes.

Chairman WALSH. You have probably attended 10 of them?

Mr. MORGAN. Probably.

Chairman WALSH. And ranging from five minutes to——

Mr. MORGAN. The directors' meeting probably lasted on an average of 25 minutes to a half an hour.

Chairman WALSH. A half an hour?

Mr. MORGAN. Yes.

Chairman WALSH. Now, then, you have attended during the time you were in the city practically all of the meetings of the finance committee?

Mr. MORGAN. Yes.

Chairman WALSH. And those are weekly meetings?

Mr. MORGAN. Those are weekly meetings.

Chairman WALSH. Now, between the meetings, what duties do you perform, if any, as a director of the United States Steel Corporation or a member of the finance committee?

Mr. MORGAN. I am on call if the officers wish to discuss anything at any time, and they often do.

Chairman WALSH. They frequently discuss business policies?

Mr. MORGAN. Yes; frequently. That sort of thing, of course, is always done.

Chairman WALSH. And about how frequently, how general, is it? Is it a matter of daily consultation of some sort?

Mr. MORGAN. No. It depends on what is going on. If there is anything very important that may come up there is no reason for waiting for a meeting; we go around and see the people and talk it over.

Chairman WALSH. So that sort of work, I would take it, some duty in connection with this, is almost part of your daily business life?



Mr. MORGAN. Yes. If I am called upon, it would be, and I have been on tap for that.

Chairman WALSH. You are called on quite frequently?

Mr. MORGAN. Quite often; yes.

Chairman WALSH. Do you make it a practice to visit the plants of corporations in which you are interested and make personal inquiry and observation in regard to the conditions in the plant?

Mr. MORGAN. The conditions of what kind, sir?

Chairman WALSH. Of any sort; do you visit the plants?

Mr. MORGAN. No; I haven't visited all of them; I have visited some of them.

Chairman WALSH. What factories or railroads have you personally inspected during the past year?

Mr. MORGAN. During the year 1914? I do not think in 1914 I inspected any.

Chairman WALSH. Did you inspect any during the year 1913?

Mr. MORGAN. I don't remember.

Chairman WALSH. Please name any factories or mines or railroads that you have personally inspected during the past five years.

Mr. MORGAN. I have been over the Gary mills, the Gary plant of the steel company, the Edgar-Thompson Works and other works of the Carnegie Steel Co. I have been over the tube works at Pittsburgh. I have not inspected the Northern Pacific Railroad, but I have been over several of the ships of the International Mercantile Marine and various companies. I have been on some of them and inspected some of them.

Chairman WALSH. Outside of the ships, have you visited within the past, during the past, five years any more than once?

Mr. MORGAN. No.

Chairman WALSH. In your opinion, Mr. Morgan, to what extent, first, are the stockholders of corporations responsible for the labor conditions that exist in the industry?

Mr. MORGAN. The labor conditions—meaning what—wages paid?

Chairman WALSH. Meaning the wages paid, the conditions under which the work is performed, their work, hours that they work, and everything pertaining to their welfare so far as the industry itself is concerned?

Mr. MORGAN. I do not see the stockholders have anything—any responsibility in that matter.

Chairman WALSH. In your opinion, to what extent are the directors of corporations responsible for the labor conditions existing in the industries in which they are the directing power?

Mr. MORGAN. Not at all, I should say.

Chairman WALSH. In so far, then, as the stockholders and directors may not be responsible, whom do you consider to be responsible?

Mr. MORGAN. The officers.

Chairman WALSH. That is, do you mean by that the executive officers of the organization?

Mr. MORGAN. The executive officials or the people that they appoint to take charge of that work.

Chairman WALSH. In your opinion, can the executive officials appoint persons to take charge of that matter—I am referring now to labor conditions and the welfare of the workers—and thus discharge their direct responsibility?

Mr. MORGAN. No; it is their responsibility. They have got to see that those people carry out the idea.

Chairman WALSH. Then not only, in your opinion, would they appoint them but also have the general direction of them?

Mr. MORGAN. Obviously; yes, sir.

Chairman WALSH. And overseeing?

Mr. MORGAN. Yes.

Chairman WALSH. What scope of authority do you, as director, give them to establish and maintain proper labor conditions?

Mr. MORGAN. I do not quite grasp that.

Chairman WALSH. What is the scope of authority given to the executive officials in the corporations in which you are a director so far as labor conditions are concerned? Do you plan out a certain maximum or minimum, or do you give any line or limitation to the authority that they have in regard to labor conditions—that is, salaries, hours, condition of labor?

Mr. MORGAN. No; I should say that they had entire authority about that. Though, of course, if they wanted advice or opinion or help or counsel about it at all, they certainly would go to the directors for it, and if consulted the

directors would advise to the best of their ability, no doubt; but the responsibility, the officers of the company are held responsible, in my opinion.

Chairman WALSH. Do you give any such officials equal scope without accounting in financial matters or in the other phases of the plan of the corporation?

Mr. MORGAN. Equal scope without accounting?

Chairman WALSH. Yes; without an accounting; or do you just simply, in other words, to make it clear, or do you simply say, "You look after the labor conditions, the conditions of labor, in your own way," or do you hold them to any accounting?

Mr. MORGAN. They are accountable for the results. They would, of course, be responsible for labor conditions, for the financial conditions; in both cases they would probably discuss; certainly in the financial question, because the directors are responsible for financial conditions, for the finances of the company, and there the committee would at least be responsible.

Chairman WALSH. Have you finished?

Mr. MORGAN. But the labor conditions, they are not responsible for that—the directors; the officers are.

Chairman WALSH. I wish you would state what reports you get from your executive officers in detail that would cover the labor conditions as they do the financial condition—the physical condition of the plant, as you describe it—in the Pullman Co. and the United States Steel Co.

Mr. MORGAN. I should not expect a report from them of that sort at all.

Chairman WALSH. Why not?

Mr. MORGAN. Because, in the first place, the circumstances do not change constantly, as they do with the financial situation.

Chairman WALSH. How do you know?

Mr. MORGAN. And when there is one change they make they ask about it, talk about it, and if it is desirable to talk about.

Chairman WALSH. You say there are not constant changes in labor conditions?

Mr. MORGAN. Not the same way that there is in financial conditions. We don't have to have weekly reports of labor conditions.

Chairman WALSH. Is it a fact, Mr. Morgan, that that policy is adopted by directors merely because it has been a custom or habit in these larger corporations, in industry, so and so to do?

Mr. MORGAN. The policy is adopted by the directors because that is the natural way of running the company.

Chairman WALSH. Why is it the natural way—because a great many other people have done it?

Mr. MORGAN. Because—

Chairman WALSH. Determine it as a policy themselves?

Mr. MORGAN. Because the directors determine the policy. Their duty to the stockholders is to select, as far as they know it, the proper men to run the company, and then let the people run it.

Chairman WALSH. What instruction, if any, have been given the executive officials in the companies in which you are a director that proper labor conditions must be maintained—that is, that living wages must be paid, that the hours of labor shall not be too exacting to the persons in it, and that sanitary conditions shall be observed, proper sanitary conditions? Do you give any general orders of that kind to your executive officials?

Mr. MORGAN. No.

Chairman WALSH. Do you give them, in a general way, orders with reference to the conservation of the financial resources of the concern?

Mr. MORGAN. Those resources have to come before the directors to be sent, of course.

Chairman WALSH. You do give them directions with reference to the—

Mr. MORGAN. I should think so.

Chairman WALSH. As a matter of fact, Mr. Morgan, are not labor conditions the only matters under the control of the executive officials which are not subject to constant audit and check of some sort?

Mr. MORGAN. That question is very limiting, and I should have to think it over.

Chairman WALSH. Well, I will come back to the specific questions that I have to ask, and they will probably elucidate it.

Do you not require as a director a balance sheet of profit-and-loss account showing in detail the disposition of all financial matters?

Mr. MORGAN. Yes.



Chairman WALSH. Do you not require cost-of-production sheets showing comparative costs of different plants in different years?

Mr. MORGAN. No.

Chairman WALSH. Do you require periodical inspection of machinery and reports to you?

Mr. MORGAN. No.

Chairman WALSH. Do you require periodical inspection of material?

Mr. MORGAN. No.

Chairman WALSH. Do you require periodical inspection and inventories of all assets?

Mr. MORGAN. Those come into the balance sheet.

Chairman WALSH. So they do require those?

Mr. MORGAN. Yes.

Chairman WALSH. Well, then, can you think of any condition in the plants, in your industrial plants, in which you are a director, that are not held under your control through the executive officials by constant audit and checks except labor conditions?

Mr. MORGAN. If I have given the impression that we do not know anything about the labor conditions, that the board of directors do not know anything about them, I have given you an erroneous one. We feel we are informed about them, but they don't come in in the balance sheet, the financial statement, and we are constantly in touch with the way the men are working, how the things are going along, what arrangements are had with the men.

Chairman WALSH. Are those reports made in writing in any instance in the Pullman Co. or the United States Steel Corporation or the International Mercantile Marine?

Mr. MORGAN. No, sir; I should think not.

Chairman WALSH. Would the minutes of the executive committee, the finance committee, or the board of directors show either any report as to the labor conditions or any action taken by those various bodies as to labor conditions?

Mr. MORGAN. They would show wherever there was a question of a raise in wages to come up in the steel company; for instance, the finance committee would pass on it. But that would show in those minutes.

Chairman WALSH. Would the minutes show anything else except that?

Mr. MORGAN. That I can not tell you what the minutes will show.

Chairman WALSH. Will you kindly, Mr. Morgan, have submitted to this commission an extract from any of the minutes of the Pullman Co. that would show anything regarding labor conditions in the plant, in the Pullman Co., and likewise the extracts from any of the minutes of the International Mercantile Co. that would show reports on labor conditions, or action by the board of directors upon the same? We would not ask you to bring all the minutes in.

Mr. MORGAN. It is a good, long undertaking, but they are there and I can get them, I think.

Chairman WALSH. I wish you would. I do not expect you to produce them while you are on the stand.

Mr. MORGAN. No.

Chairman WALSH. But we will have our investigator call upon you so that he may make arrangements to have them submitted so that they may get into our records.

Mr. MORGAN. I do not know. It is a question whether the Pullman Co. will give me access to the past records, way back.

Chairman WALSH. If they do not, please indicate to the investigator who refuses to give you such access.

Mr. MORGAN. I think that probably can be arranged.

Chairman WALSH. We must not have any audible expression if this hearing is to be continued, ladies and gentlemen.

According to such standards as you can determine, what would you consider to be the proper labor conditions as regards the following points: Length of working day?

Mr. MORGAN. I do not know. I have not an opinion on that matter.

Chairman WALSH. The income for an unskilled workman?

Mr. MORGAN. There again I have no opinion.

Chairman WALSH. Do you believe that \$10 a week is sufficient compensation for a longshoreman?

Mr. MORGAN. I do not know, sir.

Chairman WALSH. Do you know Capt. John Watson?

Mr. MORGAN. I don't think I do.

Chairman WALSH. Ever hear of him?

Mr. MORGAN. I don't remember.

Chairman WALSH. It seems to me that he is at the head of one of your departments, if I remember, of the International Mercantile Marine, and our record seems to show that he said that the wages of longshoremen were from \$10 to \$12 a week. Do you think \$10 a week is enough for a longshoreman to earn?

Mr. MORGAN. I do not know, sir. If that is all he can get and he takes it, I should think it was enough.

Chairman WALSH. Ladies and gentlemen, we must have perfect order or we will have to adjourn this examination now and continue this at some other time. There must be no audible expression of feeling.

According to such standards as you may determine, what would you consider to be a proper age or conditions under which children should be employed in your industries?

Mr. MORGAN. I have not any definite opinion about that. It is a question of facts and the kind of industry and the hours of the employment and the whole thing.

Chairman WALSH. Well, we will take the——

Mr. MORGAN (interrupting). Any more than I should say the later the better.

Chairman WALSH. The later the better?

Mr. MORGAN. Yes.

Chairman WALSH. Have you thought of any age limit that should be fixed upon the permission of the child in any industry?

Mr. MORGAN. No; I have not.

Chairman WALSH. Have you thought of the length of workday that children should be permitted to labor?

Mr. MORGAN. No, sir.

Chairman WALSH. According to such standards as you can determine, do you believe that it is proper to have a rule in any industry prohibiting the employment of unskilled workmen over 35 years of age and skilled workmen over the age of 45?

Mr. MORGAN. That would be a question I would refer to the people who were running the industry.

Chairman WALSH. Is it true in the American Steel & Wire Co. and other subsidiary companies of the United States Steel Corporation that there is a printed rule not to employ any unskilled workman over 35 years of age?

Mr. MORGAN. I could not say.

Chairman WALSH. Do you believe that would be a good rule socially?

Mr. MORGAN. That is purely a matter of opinion.

Chairman WALSH. What is your opinion?

Mr. MORGAN. I haven't any. The question of fact——

Chairman WALSH. If you were convinced that labor conditions in any of the corporations in which you are interested were such that workmen were unable to support their families without putting their wives and younger children to work, and if the nature of the employment resulted in industrial disease, or if the accident rate was excessive as compared with other corporations, what action would you take?

Mr. MORGAN. I should do my best to get the conditions remedied.

Chairman WALSH. How would you find out whether they existed in the industry in which you were a director?

Mr. MORGAN. You will find that out from the officers.

Chairman WALSH. And after you found it out what would you do?

Mr. MORGAN. I would consult with the officers and consult with the members and do all in my power to see that those conditions should be changed.

Chairman WALSH. Did you ever make any inquiry into the shipping interests, for instance, into the wages of longshoremen?

Mr. MORGAN. No; I never have.

Chairman WALSH. Well, have you ever seen or has it ever been placed before you as a director in this company as to the wages that the longshoremen receive?

Mr. MORGAN. No.

Chairman WALSH. Have you observed whether or not their labor was laborious?

Mr. MORGAN. No.

Chairman WALSH. Do you know whether or not the longshoreman's work is extra fatiguing?



Mr. MORGAN. Judging from what I have seen of him when I have seen him at work I should say it might be fatiguing; yes.

Chairman WALSH. Do you know the number of hours that men work in the United States Steel Corporation?

Mr. MORGAN. It varies in the different places.

Chairman WALSH. Do you know how many of them work 12 hours a day?

Mr. MORGAN. No; there are a certain number that do.

Chairman WALSH. Do you not think that is too long or too short a number of hours for a man to work in a day, please?

Mr. MORGAN. I don't know; I can not answer that question.

Chairman WALSH. Have you ever been present at a meeting of the directors or at a meeting of any of these corporations in which you were a director in which the labor policies to be pursued by the corporation either during a strike or during normal times was being discussed?

Mr. MORGAN. I don't remember. You say either during a strike or during normal times?

Chairman WALSH. Either during a strike or during normal times when labor policies were being discussed?

Mr. MORGAN. Yes, sir.

Chairman WALSH. Now, take it first during a strike. When were you present during a strike when labor policies were being discussed?

Mr. MORGAN. I have not been present during a strike. You asked as to both.

Chairman WALSH. Well, take it during normal times.

Mr. MORGAN. I have been present many times.

Chairman WALSH. When was the last one?

Mr. MORGAN. I am not able to recall exactly.

Chairman WALSH. Was it during 1914?

Mr. MORGAN. Yes, sir.

Chairman WALSH. And with what corporation were you dealing?

Mr. MORGAN. Undoubtedly the United States Steel Corporation.

Chairman WALSH. Any other during that year?

Mr. MORGAN. I don't recall any other.

Chairman WALSH. In which of the corporations in which you are interested are the employees organized?

Mr. MORGAN. I don't know.

Chairman WALSH. Do you know whether there are organizations of unions in any of the corporations in which you are interested?

Mr. MORGAN. I presume on the Northern Pacific there are; but I don't know which ones there are and which are not.

Chairman WALSH. How about the shipping interests?

Mr. MORGAN. There is a certain amount—there is an organization or there are organizations among them, I know in England, and, I think, here, too; but I don't know the details of it.

Chairman WALSH. You know that the Union Pacific has several organizations, do you not?

Mr. MORGAN. I don't know anything about the Union Pacific.

Chairman WALSH. The Northern Pacific, I should say.

Mr. MORGAN. Very possibly; I don't know.

Chairman WALSH. Do you know whether or not they deal with the order of railway conductors?

Mr. MORGAN. I suppose they do; but I don't know about it.

Chairman WALSH. At the meeting of the board of directors have labor conditions upon that road ever been discussed?

Mr. MORGAN. Not that I remember—when I was there.

Chairman WALSH. What have been the effects of such organizations, in so far as you are informed, in those companies in which they exist?

Mr. MORGAN. I don't know that; I don't know which companies they exist in.

Chairman WALSH. What is your attitude toward the organization of employees for what they may deem to be their own protection and the advancement of their own interests?

Mr. MORGAN. What do you mean, my attitude toward it?

Chairman WALSH. Are you in favor of the men organizing in industry, or are you opposed to it?

Mr. MORGAN. Why I am not opposed to anything they want to do that is lawful and proper.

Chairman WALSH. Is that as definite as you care to be about it, Mr. Morgan?

Mr. MORGAN. I can not answer that question without knowing the surround-

ing circumstances. A general statement like that I can not make any specific answer to.

Chairman WALSH. First, as a director, do you have any objection to the men being organized in the United States Steel Corporation?

Mr. MORGAN. Organized inside of the corporation itself?

Chairman WALSH. The employees of the Steel Corporation, the laborers and skilled workmen, have you any objection to their being organized so that they may deal with your company collectively, en masse, as it were, instead of individually?

Mr. MORGAN. As long as they are employed by the corporation, no; I don't care one way or the other.

Chairman WALSH. If they are not employed by the corporation do you have objection to their interfering with the plan?

Mr. MORGAN. I certainly do.

Chairman WALSH. Is it the fact that the United States Steel Corporation has been largely responsible for the breaking down of the following unions: The Amalgamated Association of Iron, Steel, and Tin Workers, the Seaman's Union of the Great Lakes, and the Structural Iron Workers?

Mr. MORGAN. I did not even know they had broken down, sir.

Chairman WALSH. Do you know whether they were employed by the Steel Corporation or not—members of those organizations?

Mr. MORGAN. No; I don't know.

Chairman WALSH. What is your attitude toward permitting the union organizers not employed by your corporation to address employees and otherwise carry on their work?

Mr. MORGAN. Why, if they want to do it—I couldn't object to their doing anything they have a right to do; but I should object to their coming in on the corporation's property and doing that.

Chairman WALSH. Or the corporation's time?

Mr. MORGAN. Or the corporation's time.

Chairman WALSH. Do you believe that under existing conditions the rights and interests of the employees of corporations receive proper recognition and due protection?

Mr. MORGAN. I should think so; yes.

Chairman WALSH. As a result of your observation and experience, do you believe that industrial discontent in America is increasing or decreasing?

Mr. MORGAN. Industrial discontent—how do you mean—the dissatisfaction?

Chairman WALSH. The dissatisfaction and protest against conditions, whether based upon fact or not.

Mr. MORGAN. Well now, excuse me; I want to get at the question.

Chairman WALSH. What is your opinion on the whole matter? We put it to you as a gentleman engaged in large operations and large duties and responsibilities. So we ask you that, from your experience, of course, and your observation.

Mr. MORGAN. It seems to me that the conditions are improving; that a great deal is being done, and, therefore, I suppose, that the discontent will decrease; I don't know.

Chairman WALSH. Please tell me what has been done. What has been done, say, within the past five years that had not been done theretofore that you believe is operating to bring about conditions which should decrease discontent among the working classes?

Mr. MORGAN. I was thinking of the Steel Corporation.

Chairman WALSH. Yes.

Mr. MORGAN. There they have spent very large amounts of money on additional safety appliances and proper houses for workmen, in the mines particularly, and in all sorts of ways. Whenever there is any opportunity of getting more safety or respectability of work in there, there has never been any question about it at all. It has always been voted at once; and I think that has all helped. I think the men employed by the Steel Corporation feel friendly toward the corporation because they feel the corporation meets them on the best ground it can. And more than once since I have been director in the corporation and before that several times, wages have been raised without any question of a strike or attack at all.

Chairman WALSH. Do you consider that the wealth produced in the United States is generally distributed in proportion to the value to society of the services performed?



Mr. MORGAN. That is too big a question for me. I could not answer that.

Chairman WALSH. Did you ever study that or kindred questions—

Mr. MORGAN (interrupting). No.

Chairman WALSH (continuing). From the standpoint of citizenship or mere educational information?

Mr. MORGAN. No.

Chairman WALSH. If it should be true that a very large proportion of the population fail to secure an adequate living from industry while others enjoy a superfluity, what would you say was the cause, if you have observed any cause for such condition?

Mr. MORGAN. I have not observed any cause for such condition; I do not know.

Chairman WALSH. Has the extent of poverty and suffering in the United States ever been brought to your attention?

Mr. MORGAN. No.

Chairman WALSH. What is your opinion regarding the causes of poverty, if it does exist?

Mr. MORGAN. I have not any opinion about it, sir.

Chairman WALSH. Your attention has not been called to it?

Mr. MORGAN. Well, but I haven't any opinion about it. It is a very large question.

Chairman WALSH. Do you consider that industrial conditions are responsible in any large measure for poverty?

Mr. MORGAN. No; I should say not.

Chairman WALSH. What have you personally done, please, Mr. Morgan, to mitigate any of the evils of society?

Mr. MORGAN. I don't know, sir. I don't know whether I have done anything.

Chairman WALSH. I will suggest, please, first, contributions to philanthropic organizations and institutes?

Mr. MORGAN. Oh, I don't think I can give any list of those. I have helped where I can, as most people do, I think.

Chairman WALSH. Sir?

Mr. MORGAN. I say I have helped where I can, as most people do.

Chairman WALSH. Any action that you have taken as a director in any of these corporations or as a citizen to improve industrial conditions?

Mr. MORGAN. I think the actions I have taken have been in regard to the steel company. They might come in under that.

Chairman WALSH. Anything else?

Mr. MORGAN. I should not say anything else; I don't know anything else.

Chairman WALSH. And what have been the results of your efforts to improve industrial conditions? Do you think they have been improved some?

Mr. MORGAN. I think they have been improved some; yes.

Chairman WALSH. What is your opinion regarding the social desirability of heavily endowed foundations with self-perpetuating boards of trustees as a method of dealing with social conditions?

Mr. MORGAN. I do not know what they can do to social conditions. If they can help, I should say they are very desirable.

Chairman WALSH. Well, can they or do they?

Mr. MORGAN. I don't know. Certainly, the Rockefeller Foundation has been marvelously helpful in a great many medical directions and in a great many ways. And Mr. Carnegie's libraries have certainly helped many hundreds of people, many thousands, many millions.

Chairman WALSH. Then, I take it from that you have noticed it sufficiently to say that so far as your observation goes, they have been beneficial socially?

Mr. MORGAN. I should think so, certainly; yes.

Commissioner WALSH. Commissioner Weinstock would like to ask you a few questions.

Commissioner WEINSTOCK. When Mr. Untermeyer, the attorney, was on the stand, Mr. Morgan, these questions were put to him, and these were his answers, and I would like to ask in how far you agree with Mr. Untermeyer in his opinions.

"Question. You made the statement, Mr. Untermeyer, that the railways of this country, as a great body of railways of this country, are practically under the control of two financial groups.

"Answer. A large part of them are. A large part of that mileage is under the domination or under the potential domination of these groups."

Now, in how far is Mr. Untermeyer correct, so far as you know, in making that statement that the railways of the country are under the domination of two financial groups?

Mr. MORGAN. I should say he was entirely incorrect.

Commissioner WEINSTOCK. Entirely incorrect? Well, what are the facts as you know them, Mr. Morgan?

Mr. MORGAN. What does he mean by the two financial groups, exactly?

Commissioner WEINSTOCK. Well, he did not mention the groups?

Chairman WALSH. Yes; I think he finally spoke of Mr. Morgan's group and of Kuhn, Loeb & Co.

Mr. MORGAN. Well, I don't know about Kuhn, Loeb & Co.'s business. I can not say about that. I say for ours, if we dominate the railways of the country I have never noticed it. I should like to think we did.

Commissioner WEINSTOCK. Well, what is the relationship, then, Mr. Morgan, say, between your banking house and the railroads of the country?

Mr. MORGAN. Well, we very often have been able to serve them by selling securities for them, and very often in many companies we have been directors, and in many cases we have reorganized them and started them out, and they have gone along pretty well, most of them; and when the directors or officers want advice on questions which they think we are competent to advise them on, they come and ask us. That is the only relation I know.

Commissioner WEINSTOCK. I think in another part of Mr. Untermeyer's testimony that I can not now locate, as near as I can remember, he pointed out that when a railroad gets into trouble, and there is occasion for reorganization, that one of these banking groups steps into the breach and aids in the reorganization and from that time on dominates that railroad company. Now, how far do the facts accord with that statement?

Mr. MORGAN. When you reorganize a railroad company it is necessary that the policy of that company for the first few years, at the beginning of it, should be controlled; consequently in most all occasions in my experience in a reorganization there has been a voting trust, which carries control of the company as a consistent policy throughout the first five years, and sometimes it has been extended to 10 years, at which time the voting trust terminates, and when the voting trust terminates the company runs the road from that time on.

Commissioner WEINSTOCK. But up to that time the financial interests would retain the control of the company?

Mr. MORGAN. After the reorganization the financial interests would feel that it was necessary for them to retain control, for the reason that they have got a lot of other people to invest in the property on their say-so, and they feel responsible to those people, and that is the only way they can carry it out.

Commissioner WEINSTOCK. That is, they are under moral obligation to the investors to see that the road is properly managed?

Mr. MORGAN. Yes, sir.

Commissioner WEINSTOCK. I take it, Mr. Morgan, that as a man holding a position of power, trust, and responsibility, that in common with the rest of us who find ourselves in positions of responsibility, you doubtless have been a student of social and economic problems which, of course, includes the problem of problems, the labor problem?

Mr. MORGAN. I have not been a great student of those problems; I have had other problems to study, and I have not had much time to attend to those.

Commissioner WEINSTOCK. From what study you have been able to give to it and what observation you have been able to make along those lines, what conclusions, if any, have you come to in the matter of the organization of labor? Have you found that, as a result of your observation, the organization of labor is a good thing or a bad thing for society generally? Is it a good or bad thing for the laborer himself and society generally?

Mr. MORGAN. I do not know about that; I have not made up my mind on that.

Commissioner WEINSTOCK. You have no opinion about that?

Mr. MORGAN. No definite opinion. It depends upon the organization and the laborer and who runs the organization. It depends upon so many different elements that each case must be taken by itself.

Commissioner WEINSTOCK. Take labor organizations as found in this country at this time, and I suppose the standard organization would be the American Federation of Labor. So far as you have been able to judge, do you think



the American Federation of Labor has been of advantage or of disadvantage to the workers?

Mr. MORGAN. I do not know. I am not able to pass on that.

Commissioner WEINSTOCK. Have you ever taken any attitude on the question of the recognition of organized labor? For example, if you were interested in an enterprise where labor was an important factor, would you or would you not recognize and deal with organized labor?

Mr. MORGAN. That would depend upon the circumstances at the time.

Commissioner WEINSTOCK. Well, under what circumstances, for example, would you deal with it, and under what circumstances would you decline to deal with it?

Mr. MORGAN. I do not know: I would say that I should be disinclined against labor if it came to me and said that I must employ that kind of labor.

Commissioner WEINSTOCK. You would be opposed, in other words, to the closed shop?

Mr. MORGAN. Absolutely. I would be opposed to any unionist or any one else that came to me and told me who I must employ.

Mr. WEINSTOCK. We know that there are those kinds of unions that make one of the conditions the recognition of the closed shop, but there are other organizations where they do not insist on that.

Mr. MORGAN. I think there are many cases where the unions have been admirable. I can not, however, point to each one and say "That is so" and "That is so."

Commissioner WEINSTOCK. But, if the question of the closed shop was not in issue, would you consider what is known as collective bargaining?

Mr. MORGAN. I am anxious to know exactly what is meant by collective bargaining.

Commissioner WEINSTOCK. Perhaps I can make it clear. There are two kinds of bargaining with the workers. One is the individual bargain, where the employer makes his bargain with the individual separately; and there is what is known as collective bargaining, where the employer deals with a representative or a group for all.

Mr. MORGAN. A group in its own employ; that is, a group in the employ of the company?

Commissioner WEINSTOCK. Sometimes, and sometimes with representatives not in the employ of the company, but who represent its workers. For example, it may be the American Federation of Labor, which consists of a federation of a great many different unions in the different crafts which have what is known as union organization. Usually the local union will select as its representatives the members of the international union to deal for them and be their representatives or advocates, on the theory that these men can deal more independently than the man who is in the employ of the employer. Now, the international representatives will represent the workers in dealing with the employer for all. That is called collective bargaining, as I understand it, Mr. Morgan.

Mr. MORGAN. For all of the employers' workmen of that kind or of all kinds?

Commissioner WEINSTOCK. For all the employers' workmen in that particular craft. For instance, if the employees are boiler makers, then the national representatives of the boiler makers will deal with the employers, and if the employers are machinists, the national representative of the machinists will deal with the company, and so forth.

Mr. MORGAN. That would be a serious question, and I should take each case individually as it came up.

Commissioner WEINSTOCK. You are interested in railroads, Mr. Morgan?

Mr. MORGAN. Yes, sir.

Commissioner WEINSTOCK. You know their four great federations?

Mr. MORGAN. Yes, sir; I understand they have them.

Commissioner WEINSTOCK. The conductors, the engineers, the firemen, and the brakemen?

Mr. MORGAN. Yes.

Commissioner WEINSTOCK. Now, each craft has its own representatives who deal with the railway managers and make conditions that will apply to them.

Mr. MORGAN. That has been found to work very well with the railroads.

Commissioner WEINSTOCK. Then, as an employer, would you look with favor or with disfavor upon collective bargaining?

Mr. MORGAN. It would depend entirely upon whether that case of collective bargaining I thought infringed my right or not.

Commissioner WEINSTOCK. There is an infringement, of course, in collective bargaining both ways; it robs the individual worker of his right to make a bargain for himself, and on the other hand it robs the employer of the right to make a bargain with any individual worker. There are concessions made on both sides. The employer agrees to make a bargain with a representative of the group.

Mr. MORGAN. As I see it, it is not a question of morals, but a question of convenience.

Commissioner WEINSTOCK. There is no law that compels you to do so.

Mr. MORGAN. No; and no moral law that compels you to.

Commissioner WEINSTOCK. No; but the workers seem to believe it is in their interest and they contend also that it is in the interest of the employer to bargain with them collectively, and what I want to get at from you is whether you, as a representative financier and an employer, think favorably or unfavorably of that kind of bargaining? I want to know whether you think it would be a good thing for society, generally?

Mr. MORGAN. I do not know whether it would be a good thing or a bad thing. If the matter was presented to me in a certain case, I would see whether I would take it up or not. It is not a moral question, and you can not make an answer to every individual case. It does not go back to principles.

Commissioner WEINSTOCK. No; it does not go back to principles except as the workers make it a principle in that they say their only hope lies in collective bargaining. We have had coal miners tell us on the stand that they are absolutely helpless; that if a coal miner goes individually to the manager with a grievance, such as wanting to get better wages, or have his conditions improved, that he is helpless, because he can be thrown out of his employment and another man hired to replace him, but that if he can go collectively his request will receive consideration; and therefore it is in his interest that collective bargaining shall prevail.

Now, if there are serious objections to that, if that is an unwise policy and a harmful policy to society, generally, we ought to know it, and it occurred to me that, perhaps, from your experience and observation you might be able to express an opinion that would be valuable.

Mr. MORGAN. I am afraid that I can not.

Commissioner WEINSTOCK. The contention made by a great many workers is that the men of power and the men of influence do not give sufficient thought and sufficient consideration to the condition of their workers to be able to understand them, or to be able to sympathize with them, and that, to that degree, they are derelict in their duties; that labor is one of the most important factors in industry, and certainly one of the most important factors in society, and that if labor is affected unfavorably it is harmful to the Republic; that the perpetuity of the Republic rests very largely upon the well-being of the workers, and of course you and I can see the force of that, because if a great body of the workers of this Nation were in a very bad way the possibility of maintaining law and order and peace would be remote. Now, if it is true, what they contend, that the men holding high places, and the men of real power—the men behind the management—do not understand them and do not understand their conditions, do not understand their problems, and do not understand the seriousness of the problem, what would be the answer?

Mr. MORGAN. Now, I should say that the workmen—labor if you want to call it that—had got themselves up in a corner and thought themselves different from anybody else, and they are not.

Commissioner WEINSTOCK. They say that if the worker is not comfortable, or if the workman is not properly attended to, the Republic will fail, so it applies to all citizens just the same; of course, we know the workers are in the very great majority.

Mr. MORGAN. The most of us work in this country, sir.

Commissioner WEINSTOCK. That where there is one employer there are hundreds of workers.

Mr. MORGAN. That is true.

Commissioner WEINSTOCK. And that they have the great burden to carry because of their numbers.

Mr. MORGAN. Each one has to do his part, the employer as well as the workman.

Commissioner WEINSTOCK. Now, what would you take to be the part of the employer, Mr. Morgan; what part should the employer play in the situation?



Mr. MORGAN. The part of any decent man, I suppose, I don't know. He has got to do what he can to help conditions.

Commissioner WEINSTOCK. And what would constitute doing what he can?

Mr. MORGAN. That is a question for each man to decide for himself, is it not?

Commissioner WEINSTOCK. Yes. Well, is it a part of my duty as an employer and citizen of the Republic to study those problems?

Mr. MORGAN. It is part of your duty, if you are an employer—it is certainly a part of your duty to study your own problem. When it comes to a question of the general problem of this whole question of workmen, I do not know; I do not know how much duty is on one to study that.

Commissioner WEINSTOCK. Should a study of the condition of my workers be a part of my duty as an employer?

Mr. MORGAN. I should think so.

Commissioner WEINSTOCK. And it should be a part of my duty to study their conditions, so that I could discuss the matter intelligently?

Mr. MORGAN. Yes—wait a minute; now, you say discuss it intelligently. I am not talking about the discussion of it, but carrying out one's views.

Commissioner WEINSTOCK. What I mean by that is to know how to deal with it intelligently.

Mr. MORGAN. Yes.

Commissioner WEINSTOCK. Congress has placed upon this commission, Mr. Morgan, the burden not only to inquire into the underlying causes of industrial unrest, but to make recommendations along the line of remedial legislation, and I am sure this commission will be very grateful to you, Mr. Morgan, if you could aid it. We can not dig these things out from our inner consciousness; our only way to arrive at an intelligent, wise, and proper legislation is to invite the cooperation and the opinion of the best men in the ranks of labor and the ablest men in the ranks of employers, and this commission would greatly appreciate if you have any helpful suggestions to throw out along the lines suggested—that is, along the line of suggestions to Congress as to such legislation as would be liable to establish a higher degree of industrial peace and a more cordial relationship between the employer on the one hand and the worker on the other.

Mr. MORGAN. The purpose is commendable, but it is beyond me. I have not enough knowledge, I have not enough power or capacity to grasp it and to suggest legislation which would not do more harm than good. That is away beyond me; I hope it is not beyond the commission.

Commissioner WEINSTOCK. Well, we find it a very, very great problem, Mr. Morgan.

Mr. MORGAN. I should think you would.

Commissioner WEINSTOCK. And we should get aid outside of the commission as well as within the commission.

Mr. MORGAN. I would be very glad to give it to you if I had any.

Commissioner WEINSTOCK. That is all, Mr. Chairman.

Chairman WALSH. Commissioner O'Connell wishes to ask you a question or two.

Commissioner O'CONNELL. Do you believe that there should be equality before the law of the rich and the poor man?

Mr. MORGAN. How do you mean, equality before the law?

Commissioner O'CONNELL. In the treatment of all before the law and by the law?

Mr. MORGAN. Certainly.

Commissioner O'CONNELL. I take it, because of your very large interests that you look with favor upon the combinations of those things that make for savings, of things that go to bring together combinations?

Mr. MORGAN. That is, increased efficiency in productiveness; yes.

Commissioner O'CONNELL. And that would mean the bringing together of the members of the steel industry in this country into the United States Steel Co.?

Mr. MORGAN. Yes.

Commissioner O'CONNELL. And, as a director of that company, you assign to certain persons the duty and authority of handling the affairs of that company, as far as they are a manufacturing concern?

Mr. MORGAN. Yes.

Commissioner O'CONNELL. And the handling of labor?

Mr. MORGAN. Yes; and the adjusting of the hours of labor and the wages paid the men, and the conditions under which they shall be employed.

Commissioner O'CONNELL. That power is delegated to some person or persons by the board of directors?

Mr. MORGAN. Yes.

Commissioner O'CONNELL. And he represents the company in dealing with the employees, as to questions of wages, hours of labor, and conditions of employment?

Mr. MORGAN. Yes, sir.

Commissioner O'CONNELL. As representing the United States Steel Co.?

Mr. MORGAN. Yes.

Commissioner O'CONNELL. Have not the employees the same right to organize and select one of their representatives who shall be their delegate or adviser to meet with the officer of your company for the purpose of mediation or conciliation and adjusting wages, hours of labor, and conditions of employment?

Mr. MORGAN. I should think he had the same right; yes.

Commissioner O'CONNELL. Do you recall that the United States Steel Corporation adopted a resolution setting forth that it would not treat or permit the corporation to treat with or permit an organization of labor in the United States Steel Co.'s plant?

Mr. MORGAN. I think there is such a resolution; there may be.

Commissioner O'CONNELL. And is that in accordance with the opinion which you have just expressed that you think they should have the same right?

Mr. MORGAN. You said the same right under the law.

Commissioner O'CONNELL. Yes; and in the sense of meeting you as a corporation?

Mr. MORGAN. They have no right to tell the corporation who they shall employ. They have the right to cease to be employed by the corporation if they do not like it. Absolutely.

Commissioner O'CONNELL. Yes; I suppose that is a privilege enjoyed by any citizen.

Mr. MORGAN. Absolutely.

Commissioner O'CONNELL. In other words, your company would hold that if a workman came along seeking employment, and the wages or the hours or the conditions of employment did not suit him, that he could take the position or not, as suited him?

Mr. MORGAN. Yes. You say "my company." I am not speaking for my company, but for myself.

Commissioner O'CONNELL. I mean the United States Steel Corporation, and you are a director of it?

Mr. MORGAN. Yes; and I feel that way.

Commissioner O'CONNELL. You are familiar with the policy of it?

Mr. MORGAN. Yes.

Commissioner O'CONNELL. Then the individual is not given the right to join with his fellow workmen, and through them select a representative who might be in the employ of the corporation or outside, to meet with your representative of the United States Steel Co.?

Mr. MORGAN. I do not know; you will have to ask the officers of the company about that.

Commissioner O'CONNELL. Because of the resolution adopted by your board of directors a few years ago embodying instructions that they should not treat with recognized organized labor?

Mr. MORGAN. Yes.

Commissioner O'CONNELL. Now I want to ask again a question which Mr. Weinstock asked, which I have in mind because of the line to which I am leading up. Has a man of large influence—a man of big affairs, and who deals with big things—I will ask you what opportunity the individual workman employed by the United Steel Corporation has to change his hours of labor, increase his wages, or change the conditions of his employment or work under which he is employed, as an individual?

Mr. MORGAN. I do not know.

Commissioner O'CONNELL. Is there any possibility that he could come into the headquarters of the United States Steel Co. and meet the president of that company and in a talk or discussion with him bring about a change in his hours of labor as an individual? If he should say to the president of that company that if they did not increase his wages, or something or other, he would quit the employ of the company; what effect would that have on the United States Steel Corporation?

Mr. MORGAN. I do not know; it might have a very great deal.



Commissioner O'CONNELL. I think that is all, Mr. Chairman.

Chairman WALSH. Mr. Garretson wishes to ask some questions.

Commissioner GARRETSON. Mr. Morgan, how many railroad companies are you fiscal agent for, or your house?

Mr. MORGAN. Only one, I think, now.

Commissioner GARRETSON. Only one?

Mr. MORGAN. I think so.

Commissioner GARRETSON. What influence is exercised by the fiscal agent of a railway over its methods and management?

Mr. MORGAN. None at all, I should say.

Commissioner GARRETSON. Taking good times and bad times?

Mr. MORGAN. None at all, I should say, sir.

Commissioner GARRETSON. In the character of fiscal agents for a railway company, has an accredited representative of your banking house ever met and dealt or discussed with the representatives of labor unions in considerable numbers the desirability or undesirability, or the necessity or nonnecessity, of a reduction of wages?

Mr. MORGAN. Not that I know of, sir. That would not have anything to do with the fiscal agency.

Commissioner GARRETSON. Well, if he appeared in the character of a fiscal agent and stated that was his only interest in the matter would it cut any figure?

Mr. MORGAN. I should not think so at all; no. That is not his job. That is not the job of the fiscal agent to go and discuss wages on the road.

Commissioner GARRETSON. This was a question broader than wages alone. It was the cutting of wages on a territory covering a fourth of the continent.

Mr. MORGAN. I should not know of it; I should not think it was any part of his business at all—fiscal-agency business.

Commissioner GARRETSON. Would you know when he came, then?

Mr. MORGAN. No.

Commissioner GARRETSON. You don't know whether or not that happened?

Mr. MORGAN. I don't remember of it happening.

Commissioner GARRETSON. In 1907?

Mr. MORGAN. I don't know if it did.

Commissioner GARRETSON. You, as a member of the board of directors of the Northern Pacific, receive reports covering finances, as to receipts and disbursements by the road?

Mr. MORGAN. Yes, sir.

Commissioner GARRETSON. Monthly or weekly or how?

Mr. MORGAN. I get them quite often; whether monthly or biweekly I forget.

Commissioner GARRETSON. Those cover, of course, revenue and operating expenses.

Mr. MORGAN. Yes, sir.

Commissioner GARRETSON. The percentage of operating cost to the gross revenue?

Mr. MORGAN. Yes; to taxes and all—the usual railway statements.

Commissioner GARRETSON. On questions of operation that report also covers tonnage moved?

Mr. MORGAN. Not as a rule, except at longer intervals.

Commissioner GARRETSON. It is at longer intervals?

Mr. MORGAN. That comes with the annual report, probably.

Commissioner GARRETSON. Well, are not reports made to you monthly on the gross tonnage moved?

Mr. MORGAN. I don't think so.

Commissioner GARRETSON. And a comparison of some months with the preceding—the same month the preceding year?

Mr. MORGAN. I don't recall the tonnage question. The dollar question I do, but tonnage I do not.

Commissioner GARRETSON. And the progress of improvements under way?

Mr. MORGAN. Those are not mentioned except at the meetings.

Commissioner GARRETSON. Stock reports and as to acreage?

Mr. MORGAN. Those are, at the meetings.

Commissioner GARRETSON. They never come to you at any other time?

Mr. MORGAN. No.

Commissioner GARRETSON. Have you read the statements that appeared in yesterday's papers by Mr. Daniel Willard, president of the Baltimore & Ohio Railway?

Mr. MORGAN. I did not see it; no.

Commissioner GARRETSON. In regard to the prominence of the labor question on American railways?

Mr. MORGAN. I did not see it.

Commissioner GARRETSON. That is was the greatest question that concerned them in any way?

Mr. MORGAN. Well—I have not seen it.

Commissioner GARRETSON. You would consider Mr. Willard an authority?

Mr. MORGAN. Oh, admirable.

Commissioner GARRETSON. If Mr. Willard is absolutely committed to the idea that the greatest problem that confronts the American railways is the labor problem, would it not follow in sequence that at least as definite reports as to the labor conditions on a line of railway should be furnished to its board of directors as those covering its financial status which the labor problem threatened?

Mr. MORGAN. That is a doubtful question. It depends who is in charge of it, sir. The directors are in charge of the finances and the executive officers are in charge of the labor situation. Consequently the directors have their reports frequently on the finances, and I presume the officers have theirs on the labor question.

Commissioner GARRETSON. Well, would it naturally follow because in all the years gone by in which the system of administration of a railway has been built up that if the executive had to report to the directors on the financial condition, on what was considered the main and most important problem, the financial problem, if that problem had been superseded by another or greater problem, would that fact carry with it the necessity of reports of that then primal problem?

Mr. MORGAN. Possibly may; I don't know how that would be.

Commissioner GARRETSON. In your opinion are the average board of directors, by personal knowledge and personal experience, qualified to deal with that problem?

Mr. MORGAN. I should say not; no.

Commissioner GARRETSON. You made the statement that the executive was at liberty, if he so desired, to consult with the members of the board of directors, and that they would give him the best advice there was at their disposal?

Mr. MORGAN. Yes.

Commissioner GARRETSON. Now, if the average board of directors were in the same fix that you have stated you are in regard to certain questions, as that you have no opinion as to what is the proper length of a working day; and second, that you have no idea of what is the proper daily wage for a laborer; and third, that you have no knowledge or have never formed an opinion on the conditions of employment for children or others; that you have no idea of what would be proper for the establishment of an age limit for the hiring of men in various capacities; that you do not know whether or not organization exists in a number of branches of the various industries with which you are connected as a director; that you are not familiar with the underlying causes of poverty—now, if a practical operating officer went to a board of directors qualified like that, could he get valuable advice from them?

Mr. MORGAN. Probably not—on that subject.

Commissioner GARRETSON. Now, in regard to the equal rights of men in the two classes—and I am using "class" not in the doctrinaire sense, but only as to those who control and those who do not, those who serve, you have asserted your idea of organization of business to be that when a railway company as constituted at present is made up, that the power to do certain things is vested solely in the executive branch to deal with the industrial problems.

Mr. MORGAN. Yes.

Commissioner GARRETSON. Can you consistently take that position? Have you noticed that very many men have testified here that labor unions ought to be incorporated to render them equally legally liable with corporations?

Mr. MORGAN. I had not noticed or heard of that.

Commissioner GARRETSON. Well, that has been testified to here. We will assume for the moment that a labor union is incorporated and stands in its relation to a railway company as corporation against corporation. Now, if your method of safe organization is good that places all this responsibility in the hands of the executive. I suppose you will be perfectly willing that when an organization such as that on the Northern Pacific—I am going to take a concrete case which exists—



Mr. MORGAN (interrupting). Yes.

Commissioner GARRETSON (continuing). If the Northern Pacific was confronted with wage troubles—and some of its men made a settlement there only last week—if during that trouble the officer of that labor union had exercised just the powers as you have here advocated as belonging to the executive of the railway company and, without consulting the men on the road, had ordered them to refrain from work and tie the company up—

Mr. MORGAN (interrupting). Possibly.

Commissioner GARRETSON (continuing). Would you have considered that the public interest could allow a performance of that kind? Shouldn't he have been put in jail?

Mr. MORGAN. I don't know what law you could put him in jail under.

Commissioner GARRETSON. Well, wouldn't you go so far as to wish you had a law?

Mr. MORGAN. Well, I don't know. That would be a question of circumstances of the road.

Commissioner GARRETSON. Wouldn't that be a power that no man should be allowed to exercise?

Mr. MORGAN. I don't know. I would like to think that over and take a little time—you have got so much hypothetical question there that I don't—

Commissioner GARRETSON (interrupting). Well, if the president of your railway company could exercise that power under your system, wouldn't it be equally legitimate for the executive of the labor union to do it?

Mr. MORGAN. But could the president of the railway company exercise that power?

Commissioner GARRETSON. As you have stated, he could refuse to do anything in the way of settlement of grievances, and therefore would precipitate exactly that condition.

Mr. MORGAN. Yes.

Commissioner GARRETSON. Or he could lock all his employees out?

Mr. MORGAN. Yes.

Commissioner GARRETSON. Under your explanation of your safe system, he would be clothed with that practical responsibility, but this walking delegate, under labor-union laws, must go back and get the consent of two-thirds of the men he represents before acting. You would hold that proper?

Mr. MORGAN. That is one of the rules of the union?

Commissioner GARRETSON. Oh, well, as a citizen, would you hold that as proper?

Mr. MORGAN. I don't know. I don't know anything about that. I am not passing on whether other people do the proper thing or not.

Commissioner GARRETSON. Does every citizen owe anything to the State or not?

Mr. MORGAN. I think a citizen owes a great deal to the State; yes.

Commissioner GARRETSON. Then, as a citizen, don't that man owe more than that to the State?

Mr. MORGAN. More than what, sir.

Commissioner GARRETSON. More than the exercise of arbitrary, unquestioned, and untrammelled power?

Mr. MORGAN. As against the State or—

Commissioner GARRETSON (interrupting). As against the good of the people, and the people are the State, or supposed to be, in this country.

Mr. MORGAN. I hope so. I don't quite grasp the bearing of the thing. Do you mean as a man can I do that, or what do you mean?

Commissioner GARRETSON. Oh, has he a moral right?

Mr. MORGAN. Oh, that is a moral question. I should say not; no.

Commissioner GARRETSON. Has the executive of your company, you think, the moral right to do it?

Mr. MORGAN. No; and I do not suppose he would do it for a moment.

Commissioner GARRETSON. For what reason do you think he would not exercise it?

Mr. MORGAN. I think he would go back to the board of directors that made him president and say, "This is the situation. Now, what am I to do about it?" Wouldn't he?

Commissioner GARRETSON. Well, now, considering your statement of a moment ago that the board was so constituted that it could not give him intelligent advice, what then?

Mr. MORGAN. Well, then, I can't help it. That is the end of the story.

Commissioner GARRETSON. I am citing exactly two parallels, Mr. Morgan, to determine from your opinion whether or not you can safely, as a citizen—because you and I are equally citizens of the Republic—whether you could tolerate or defend an action on the part of the employing corporation that would be considered improper on the part of an employees' association, that is all.

Mr. MORGAN. It would depend on whose rights were attacked.

Commissioner GARRETSON. Has the public rights that both are bound to respect?

Mr. MORGAN. Absolutely, but what those rights are is a question.

Commissioner GARRETSON. Well, then, does the obligation rest equally on the stockholders of a railway to curb the powers of its executive as it rests upon the stockholders of a labor union, who are its members, to curb the power of their executive?

Mr. MORGAN. On the stockholders of the railway?

Commissioner GARRETSON. Yes; as represented by the directors?

Mr. MORGAN. I should say that they would have to work together with him; yes—certainly.

Commissioner GARRETSON. Now, as for responsibility being or not being exercised by boards of directors, didn't it use to be a proverb all through this region—I am speaking of some years back—that the New Haven Railroad could not buy a keg of spikes until after they had held a directors' meeting?

Mr. MORGAN. I don't know. Did it?

Commissioner GARRETSON. I do not dare to testify. But isn't it a fact that in dealing with labor matters for a period of 15 years that a representative of the executive officers of the New Haven Railroad always went back and got the consent of the board of directors before he could sign any form of agreement?

Mr. MORGAN. I don't know anything about the New Haven then.

Commissioner GARRETSON. That was prior to Mr. Mellen's day?

Mr. MORGAN. Very possibly, I should think; but I don't know.

Commissioner GARRETSON. Do you believe, Mr. Morgan, that power and responsibility can be dissociated?

Mr. MORGAN. No.

Commissioner GARRETSON. Can a man who wields power properly evade performing the duties that are incumbent upon him because of the possession of that power?

Mr. MORGAN. Well, that would depend on the circumstances again, I think.

Commissioner GARRETSON. What circumstances could justify the evasion of responsibility by the man who held the power?

Mr. MORGAN. Ill health.

Commissioner GARRETSON. Ill health?

Mr. MORGAN. For one.

Commissioner GARRETSON. Take directors in general, the rate of mortality is not extra high.

Mr. MORGAN. No; probably not. But I don't know what we—you were leading up to something else, and I don't know what it is.

Commissioner GARRETSON. No; I have nothing behind me this once. I am playing in the open.

Mr. MORGAN. My feeling is that the responsibility and the power must go together, and the man who has the power has got to take the responsibility.

Commissioner GARRETSON. Well, and neither you as representing a financial power that is great, nor the officer of a labor union exercising—well, I will say social for want of a better word, or industrial power that is considerable, are free from responsibility, but you are equally bound by your responsibilities that come with that power no matter what its form.

Mr. MORGAN. Absolutely.

Commissioner GARRETSON. And do you believe that the obligation rests as heavily on him who exercises the power you represent to make himself absolutely conversant with those questions that must of necessity come to him?

Mr. MORGAN. I think in his responsibility he can delegate that power and he can delegate that responsibility.

Commissioner GARRETSON. A certain amount; but he can not delegate—well, there is a form of power or responsibility that can not be delegated, is there not?

Mr. MORGAN. I suppose so.

Commissioner GARRETSON. Moral responsibility you can not delegate?



Mr. MORGAN. Well, you do your best to carry it out by delegating the power—

Commissioner GARRETSON (interrupting). But if there is a failure to act, does the moral responsibility rest on the one doing the delegating as well as the one to whom it is delegated?

Mr. MORGAN. Rests on him for his erroneous choice.

Commissioner GARRETSON. For nonperformance, too?

Mr. MORGAN. No; for erroneous choice. I do not see anything else.

Commissioner GARRETSON. Well, that might be.

Mr. MORGAN. If he has used his best endeavor to get the right men.

Commissioner GARRETSON. Well, you know what hades is said to be paved with?

Mr. MORGAN. Yes.

Commissioner GARRETSON. With good intentions?

Mr. MORGAN. Yes.

Commissioner GARRETSON. Will an intention in any case ever deliver a man from legal responsibility?

Mr. MORGAN. I think no man is responsible for not doing more than his best.

Commissioner GARRETSON. I grant you. Then you would hold that he must do his best?

Mr. MORGAN. I would—as he sees it.

Commissioner GARRETSON. That is all.

Chairman WALSH. Thank you, Mr. Morgan. You are excused permanently.

The commission will now adjourn until to-morrow morning at 10 o'clock.

(Thereupon, at 4.35 o'clock p. m. of this Monday, February 1, 1915, an adjournment was taken until 10 o'clock Tuesday morning, February 2, 1915, at the same place.)

NEW YORK, February 2, 1915—10 a. m.

Present: Chairman Walsh, Commissioners O'Connell, Lennon, Harriman, Ballard, Weinstock, Garretson, and Commons.

Chairman WALSH. The commission will please come to order.

Is Mr. Goff in the room?

#### TESTIMONY OF MR. FREDERICK H. GOFF.

Chairman WALSH. What is your name, please?

Mr. GOFF. Frederick H. Goff.

Chairman WALSH. And your residence?

Mr. GOFF. Cleveland, Ohio.

Chairman WALSH. And your business or profession?

Mr. GOFF. My profession, a lawyer; my occupation at present is a banker.

Chairman WALSH. Are you connected with some financial institution in the city of Cleveland?

Mr. GOFF. I am president of the Cleveland Trust Co.

Chairman WALSH. You are the president, I believe, of the Cleveland Foundation, of Cleveland, Ohio?

Mr. GOFF. There is no president of the Cleveland Foundation. I had something to do with suggesting the idea of the Cleveland Foundation.

Chairman WALSH. What official connection have you with it?

Mr. GOFF. Perhaps I can best describe it as the originator.

Chairman WALSH. Might I ask you, Mr. Goff, to describe the whole plan as well as its development up to date, the genesis of it, its creation, and its operation up to date?

Mr. GOFF. The thought of the Cleveland Foundation grew out of experience had in helping others to make charitable disposition of their estates. It occurred to me, after some years' experience in connection with such matters, that donors often limited the scope of their benefactions to too narrow purposes. In one instance I had to do with the drafting of a trust agreement which provided for the ultimate use of a large estate exclusively for hospital purposes. In another large estate it was to be used exclusively in beautifying a cemetery in the city of Cleveland. The thought occurred to me that I was not serving to the best those who were consulting me in not being able to suggest some broader and better use. The foundation is not a foundation in fact. My understanding of a foundation is a present gift, in perpetuity, for charitable purposes. The Cleveland Foundation is rather a plan to gather into a foundation

the surplus wealth of the community for community purposes. It was established on January 2, last year, by a resolution of the board of directors of the Cleveland Trust Co., providing in effect that the company would accept of gifts made by deed of trust or become trustees under testamentary bequests, under certain powers and for certain purposes indicated in the resolution. The foundation, therefore, is rather a declaration of a willingness upon the part of the Cleveland Trust Co. to accept of gifts made in lifetime, or by testamentary disposition, to serve the interests of Cleveland, in the broadest and biggest sense, under uniform powers of administration and for common purposes, the purpose being in substance the good of mankind.

Chairman WALSH. Have you prepared articles of incorporation?

Mr. GOFF. No, sir; there are no articles of incorporation. It exists solely by virtue of the resolution to which I have referred.

Chairman WALSH. Is it the intention to have it incorporated under the laws of Ohio?

Mr. GOFF. No, sir. Under the plan as announced the Cleveland Trust Co. will be the custodian of and administer the property which may be received for foundation purposes; the income derived from such property will be expended for welfare work in the community by a committee to be composed of five members, each serving for five years, unless reappointed, that being the limit of their service, the term of one trustee or member of the committee expiring each year. The committee to be appointed as follows: One by the mayor of the city of Cleveland, one by the probate judge or officer administering testamentary matters in the county in which Cleveland is located, one by the judge of the United States district court, and two by the trustee, the Cleveland Trust Co., the disposition of income being lodged entirely in that committee.

Chairman WALSH. In the announcement of the foundation, which you were kind enough to send to this commission, you state the purposes are as follows: To promote civic, moral, and mental welfare of the people of Cleveland in the widest, wisest, most economical, and most efficient manner.

Mr. GOFF. That is hardly correct. May I quote the exact language?

Chairman WALSH. I wish you would, please. I have undertaken to have it quoted.

Mr. GOFF. It is not quite correctly quoted. "After income becomes available from gifts made or bequeathed, such income, less proper charges and expenses, shall be annually devoted perpetually to charitable purposes. It shall be available for assisting charitable and educational institutions, whether supported by private donations or public taxation; for promoting education, scientific research; for the care of the sick, aged, or helpless; to improve living conditions or provide recreation for all classes; and for such other charitable purposes as will best make for the mental, moral, and physical improvement of the inhabitants of the city of Cleveland, regardless of race, color, or creed," according to the discretion of a majority in number of the committee to be constituted as I have previously described.

Chairman WALSH. As I understand it, the basis of the plan at the present time is a resolution of the board of directors of the Cleveland Trust Co.

Mr. GOFF. Yes, sir.

Chairman WALSH. And, so far as your present intention is concerned, that resolution is simply to be followed out without any law or any pro forma decree of courts or anything of that sort?

Mr. GOFF. Absolutely.

Chairman WALSH. I want to ask some questions following the declared purposes to ascertain what, in your opinion, can be done. Under your resolution and plan could you conduct model stores?

Mr. GOFF. I would think not. It is to be confined exclusively to charitable purposes. Under the laws of our State a trust in perpetuity, as I understand it, must be limited in scope to charitable purposes.

Chairman WALSH. Could you operate a newspaper, disseminating news covering charitable purposes and welfare work?

Mr. GOFF. I should think not.

Chairman WALSH. Could you conduct a campaign of what you might call education upon a topic as specific as industrial relations; for instance, the relation between capital and labor?

Mr. GOFF. I would think not; no sir.

Chairman WALSH. There seems to be one provision in the Cleveland Foundation different from the other foundations which we have this far examined into, and that is in relation to the election of the committee to distribute the



income. In Cleveland it seems that three members of the committee are to be named by the mayor of the city of Cleveland, the presiding judge of the probate court, and the presiding judge of the United States district court. Why was this provision put in your plan?

Mr. GOFF. Well, it was my belief that wealth—property—belonged to and should be administered by the living rather than by the dead.

Chairman WALSH. Was there any idea, democratic idea, involved in it—that is, to let the people have something to do with it?

Mr. GOFF. Yes, sir; that is what I intended to say by my answer—that property belongs to the living, and should be administered by the living and not by the dead.

Chairman WALSH. I take it, of course, having gotten up this plan, you have given some thought to the general plan of foundations, the work of foundations.

Mr. GOFF. Well, some; but I could hardly qualify as an expert, Mr. Walsh.

Chairman WALSH. No; but I guess the art, if you could call it such, is quite young, and we have to take those who have given what little thought that has been given to it, and would be glad of your expression, for the time being, at least.

Mr. GOFF. I am willing to serve as an expert for the time being, but do not want my opinion to be given much weight.

Chairman WALSH. Do you feel that Government officials should have the power to name the members of the boards of foundations that have wide scope?

Mr. GOFF. Personally I would fear the result in remote years in the operation of a large foundation by a self-perpetuating board of trustees, fearing that it would not be responsive either to the needs of the community and that the zeal and purposes of the founders might not be continued. I would prefer myself to see upon boards of administration, or rather boards of distribution, for I would distinguish between the management—the custody and management of the assets and the distribution of the income—I would personally prefer more democracy rather than less upon boards having charge of distribution of income, however secured, whether by appointment of governmental officers or otherwise.

Chairman WALSH. Are you familiar with what was known as the Peters bill, the proposed bill chartering the Rockefeller Foundation by the Congress of the United States?

Mr. GOFF. I am not; no, sir.

Chairman WALSH. Did you read the original bill and the amendments to the original bill granting the charter to the Rockefeller Foundation?

Mr. GOFF. I did not; no, sir.

Chairman WALSH. The Peters bill provided that vacancies in the trustees following the incorporation should be filled by the existing board of trustees, but that four Federal officers and five university presidents should have power to veto such elections. Do you believe, Mr. Goff, that it is necessary or desirable that the Government should have a control over the trustees of such foundations?

Mr. GOFF. Well, that would seem to me a little complicated, Mr. Walsh. Preferably—perhaps because of pride of opinion growing out of my study of the Cleveland Foundation—I should rather have members of the public designated by governmental officers, if you please, by the President of the United States, by the Chief Justice of the Supreme Court of the United States, and by the governor of New York, or something of that kind, such officers to have the power to designate members of the public for a limited time to serve as members of the committee. This would give the public, in effect, the right or opportunity of recall.

Chairman WALSH. A reading of the resolution creating your foundation, the Cleveland Foundation, indicates that the management of the fund rests with the Cleveland Trust Co.

Mr. GOFF. The management of the estate?

Chairman WALSH. The management of the estate.

Mr. GOFF. Yes, sir.

Chairman WALSH. The trust fund?

Mr. GOFF. Yes, sir.

Chairman WALSH. And I believe it provides that the trust company shall be paid proper charges and expenses?

Mr. GOFF. Yes, sir.

Chairman WALSH. Have you defined yet what constitutes proper charges and expenses?

Mr. GOFF. My recollection is that the resolution fixed that definitely at 5 per cent of the gross income, which is the customary charge for administering estates in our community.

Chairman WALSH. The resolution includes among its provisions—but I will not undertake to quote it—but a provision intended to limit the foundation's activity to what would be called eleemosynary and philanthropic purposes wholly?

Mr. GOFF. Well, no; for instance, educational purposes, which would hardly be eleemosynary, and scientific research and recreation, which I suppose would cover playgrounds, bathhouses, museums of art, and music halls.

Chairman WALSH. You have endeavored in your resolution to specifically set out the activities that might be or could be undertaken by your foundation, have you not?

Mr. GOFF. I tried to state it in the broadest possible terms, but boiled it down; it seems to me that the use authorized is any use that will promote the well-being of mankind. Such language, however, would not have been construed as limited to a charitable use under our laws, which prohibit a trust in perpetuity for political or industrial purposes.

Chairman WALSH. Is it true that under the present plan of the Cleveland Foundation, the Cleveland Trust Co. will actually have control, in that, of the five trustees, two are to be appointed by the directors and three are to be appointed by the directors after selection by—

Mr. GOFF (interrupting). You have that wrong. It does not so provide. It provides that in the event of the failure of any of the appointing powers to exercise the appointing power lodged in them, that then, in order to fill such vacancy, the board of directors of the Cleveland Trust Co. may designate to fill the vacancy. I can not conceive that the board of directors of the Cleveland Trust Co. can exercise in any sense control over the distribution of the income.

Chairman WALSH. What was the idea of having this administered through a trust company.

Mr. GOFF. Personally, I believe that there is gathered about a financial institution men of greater experience and ability in dealing with financial affairs. I think their judgment with regard to investments is likely to be better than that of any committee not having had such training.

Chairman WALSH. My attention has been called to the provision in your prospectus or the statement here, as follows:

"That the power to distribute principal or income shall be vested in the committee constituted as hereinafter provided, with the exception only that the member provided to be selected by the judge of the United States district court shall be appointed by the board of directors of the Cleveland Trust Co."

Mr. GOFF. I don't think that is in there, sir. Will you call my attention to that?

Chairman WALSH. The pages are not numbered. It is the fourth page, paragraph 3—

Mr. GOFF. If you will turn over—that is page 4 of the printed matter?

Chairman WALSH. Of the printed matter.

Mr. GOFF. Well, that is a statement of the scope and purposes of the foundation. The plan itself starts on the next page.

Chairman WALSH. Well, this seems to be in the resolution creating the foundation adopted by the board of directors of the Cleveland Trust Co., January 2, 1914. Now, the second page of that resolution, No. 3, it says:

"That the power to distribute principal or income shall be vested in the committee constituted as hereinafter provided, with the exception only that the member provided to be selected by the judge of the United States district court shall be appointed by the board of directors of the Cleveland Trust Co."

Now, I wish you would be good enough to analyze that, because you can readily see how we might drop into the error that we did.

Mr. GOFF. There are certain optional rights under the plan given to donors. Unless those optional rights are exercised the committee will be constituted as provided at the bottom of the page to which you have referred:

"Two by the directors of the Cleveland Trust Co., preferably to be designated from their own number.

"One by the mayor or chief executive officer of the city of Cleveland.

"One by the senior or presiding judge of the court for the time being having jurisdiction of the settlement of estates in Cuyahoga County.

"One by the senior or presiding judge of the United States District Court for the Northern District of Ohio, or of the court that may hereafter exercise the jurisdiction of said court in Cuyahoga County."



But should any donor disapprove—

Chairman WALSH. Where is that?

Mr. GOFF. I am coming back now to the recital providing for the committee for distribution. Providing that the donors shall specifically so elect, the following optional rights are given. I am going back now to the paragraph No. 1 to which you called attention. No. 3 is the one providing that if the contributors to the foundation in the instrument creating their trust indicate their desire first as to how, when, and for what purposes the principal contributed by them should be used, or next as to the purposes for which their income shall be used, or next that the committee, instead of being constituted as provided in the portion of the plan to which I have called attention, indicate a desire that three members of the committee shall be designated by the Cleveland Trust Co. instead of two, they shall have such right.

I don't know whether I make myself clear. Unless donors in the instrument creating the trust specifically express a desire to have what I call a more conservative board of trustees for distribution of income, the other obtains. I am pleased to say, however, that so far as we have gone, no one has elected to exercise their rights under that option, but it may be interesting for me to give you my experience in connection with that matter.

Of course, there is no compelling power to influence donors to accept this plan. With some the democratic plan of selection of the committee is more satisfactory, with others not.

Mr. Thomas H. White, president of the White Automobile Co. and the White Sewing Machine Co., who created a trust just prior to the establishment of this plan, a large trust, for quite as broad purposes as indicated in the plan, was asked by me, after the establishment of the plan, to consent to have his trust come under the Cleveland Foundation. He has since died, and the trust is public, so I am at liberty, I feel, to give the reasons for his having decided not to come in. It will give you the viewpoint of some donors. I am reading from a letter written by Mr. White to me from Florida on January 29 of last year:

"Now, regarding the Cleveland Trust Co., I went into it expecting that the 20 directors of the company would manage the funds finally. If five directors, and three of them from the outside, are to manage it I do not want to go in it at all. A Tom Johnson mayor would soon manage the whole thing."

I simply give that as indicating how you have to guard in arranging a plan so as to meet the wishes of the donors. Mr. White died before returning to Cleveland, or before, rather, I had an opportunity to discuss the matter with him verbally. I have no doubt he would have accepted at least the optional right under the plan to which you refer had I had the opportunity of discussing it with him.

Chairman WALSH. What provision is made in the present resolutions for making public the reports of work done and moneys spent?

Mr. GOFF. The plan requires, first, an audit by a certified accountant, annually; the publication of the report of the auditor, giving details in regard to each trust and securities held under each trust, income received, and disbursements made.

Chairman WALSH. Do you feel that such a foundation ought to be accountable to some public officer or body?

Mr. GOFF. Well, either some public body, or preferably, I think to the public itself; for trusts of this kind are created for the benefit of the public. They are the beneficiaries under the trust, and I think are entitled to the fullest information.

Chairman WALSH. In what way would the representation of the public be had, you say, either to make it a public officer, which would mean, I suppose, elective or appointive officer of the Government, the State, or municipality, or how would you apply it? What do you mean by that?

Mr. GOFF. Well, the publication in the newspapers, as provided in the plan of the Cleveland Foundation, two newspapers having the largest circulation in the city of Cleveland, of the results of each year's operation, I regard as an accounting to the beneficiaries of the city of Cleveland. Further, the plan provides for visitatorial power to the law officer of the city of Cleveland and to the attorney general of the State, and gives them the fullest opportunity to inspect the records.

Chairman WALSH. I wish you would please detail the provision—read it from the book there, Mr. Goff—the provision for the public examination of the records of the foundation.

Mr. GOFF. The resolution provides that either the attorney general of the State of Ohio or the law officer of the city of Cleveland shall have the right to institute appropriate proceedings in any court of competent jurisdiction to restrain, correct, or recover for any maladministration of the trust estate, either by the trustee or the committee, and shall at all reasonable times have the right to inspect the books, vouchers, and records of the trustee and the committee in any way pertaining to the foundation.

Chairman WALSH. Do you feel that all foundations should be required to publish such facts?

Mr. GOFF. Oh, I think publicity is one of the very greatest safeguards in an endowed charity; yes, sir.

Chairman WALSH. Was it a part of that plan to publish a complete list showing the number and character of the applications received for dispensation of funds?

Mr. GOFF. I think there has been no such provision made; no, sir.

Chairman WALSH. Was it intended to have them made? Is it intended to be made?

Mr. GOFF. I would think that would be an administrative matter, entirely in the hands of the committee for distribution.

Chairman WALSH. What would you think of publishing such matters as showing the public what opportunities there were for you to help and in a general way where you were reaching, what you were aiding, what you were failing to aid or refusing to aid?

Mr. GOFF. I do not believe I have any very firm convictions on that. It would seem to me that a detailed statement of how funds were expended, especially in a community like Cleveland, would make it quite apparent to the citizens of Cleveland what might have been done as well as what had been undertaken.

Chairman WALSH. Among other things we are trying to do is to see what application could be made of the principal and practice of your plan to foundations generally of national wide character, we might say. You have certain provisions restricting freedom to disburse capital, namely, to exceed 20 per cent during a period of five consecutive years. Please state your reason for this.

Mr. GOFF. People might act under impulse without sometimes giving mature consideration to some larger problem affecting a community, and it seemed to me desirable, before distribution of the entire principal constituting the foundation be made, the judgment of the community should in some respects be considered to be had through public discussion and the public prints. A distribution of 20 per cent in a period of five years, with the approval not only of the members of the committee, but of the trustee, was quite as rapid and as large an amount as ought to be made, it seemed to me.

Chairman WALSH. Complete control in regard to capital and income as vested in the Cleveland Trust Co. You have stated here that you give no power over capital to the disposition?

Mr. GOFF. That is with regard to the disbursement of principal?

Chairman WALSH. Yes.

Mr. GOFF. The committee have joint power of disbursement of principal with the directors of the Cleveland Trust Co.

Chairman WALSH. Can the foundation, if it so desires, spend its income or capital in directing such work as a survey of the city, for example?

Mr. GOFF. I think so.

Chairman WALSH. Describe what sort of survey is going on at the present time.

Mr. GOFF. The plan of the Cleveland Foundation was announced, as I have said, on January 2, 1914. It appeared from—not contributions, because that is not the right term—but from assurances or pledges received before the 1st of March in that year, that at no remote time the responsibility would come upon the committee having charge of the disbursements of income for disbursing a large amount of income. In other words, a railroad accident or a *Titanic* disaster would impose immediately the responsibility for handling the income from a large amount of property.

It seems to me the community ought to be thinking along the lines of how such income could be best used. And I invited the cooperation of some of the citizens of Cleveland in the matter of making for that purpose, a survey of social conditions existing in Cleveland. I suggested as the scope of such an



effort, the ascertaining of the causes and remedies for poverty, crime, disease, and accident. I have forgotten just the scope of it, but it was pretty broad.

I suggested that to try out the plan involved in the foundation itself for handling income, that a committee be appointed as provided in the foundation, namely, two by the Cleveland Trust Co., one by the Federal judge, one by the probate judge, and one by the mayor, to have the charge of making such survey. Such committee was appointed, and perhaps on or about September 1, after some months' effort and with the cooperation of the Russell Sage Foundation of this city, Mr. Allen T. Burns was selected as a director of that survey and actively began work about September 1.

Chairman WALSH. Well, will the scope of your survey include an investigation into the wages paid laborers, conditions of labor?

Mr. GOFF. I think so. The scope suggested is broad enough for that; yes, sir.

Chairman WALSH. Is it the intention to have it cover that in arriving at the causes of poverty and disease and crime and the like?

Mr. GOFF. I am not on that board, I am not a member of that committee, but judging from the character of the committee I do not think they would hesitate, Mr. Chairman, to go into such matters and believe they would find them both desirable and important considerations.

Chairman WALSH. You have the right, I suppose, to spend a portion of the income for publicity?

Mr. GOFF. That is, the income of what? Of the foundation or funds received for the survey—there is no foundation as yet. The funds that would be available for the making of this survey would be available for giving publicity to the reports.

Chairman WALSH. From whence do the funds come that this survey is to be made from?

Mr. GOFF. Private contribution.

Chairman WALSH. Of persons in Cleveland?

Mr. GOFF. Yes.

Chairman WALSH. Is there any objection to stating who they are?

Mr. GOFF. I think I would rather not. I am willing to state I am one of the contributors.

Chairman WALSH. Might it be anybody who would have a very pecuniary interest in the result in the question of wages and the publicity that might be given to the reports?

Mr. GOFF. No; none whatever.

Chairman WALSH. Any stockholders in large concerns in which there have been labor disputes or in which there have been charges?

Mr. GOFF. No.

Chairman WALSH. Of improper conditions?

Mr. GOFF. Not that I am aware of; no, sir.

Chairman WALSH. Do you think that would have to be provided against?

Mr. GOFF. I do not think so, sir. The committee will have charge of the expending the funds, of the publishing of the reports. The member of the committee appointed by the mayor of Cleveland is the president of the consumers' league.

Chairman WALSH. What would you think of the proposition if the committee did consist of men that were stockholders and directors in large industries in which there was a great deal of labor strife and in which the conditions of the labor were severely challenged and criticized; do you think that such a committee could be intrusted to make an investigation into the causes of poverty that would include wages, conditions of labor, hours of labor, and the alleged grievances of the workers with unlimited power and publicity as to active work and conclusions?

Mr. GOFF. It seems to me that the credit and fairness of any report made by such committee would entirely depend upon the character of the committee.

Chairman WALSH. Regardless, of course, of the personal character of the individuals, I suppose you do not mean that; but if they were men that as directors and stockholders or owners were involved in very great industries in which these conditions were alleged to exist, do you think that men with those interests, leaving out the personal character, could make a survey that would be disinterested and would be received by the workers in the industry as disinterested?

Mr. GOFF. No; I would doubt both.

Chairman WALSH. In general, do you feel that there is any menace to industry or to government or to education in very great foundations?

Mr. GOFF. It depends upon the purpose—the scope—of the foundation, as I would view it. I suppose you are directing my thoughts toward the Rockefeller Foundation. Personally I can not help but feel that it is one of the greatest benefactions the world has ever had.

Chairman WALSH. And you have studied it——

Mr. GOFF (interrupting). May I just finish my answer?

Chairman WALSH. Certainly.

Mr. GOFF. If I have understood its purpose—and I get misinformation principally from what I have learned of it in the public prints through the proceedings here—if the purpose of the foundation is to promote the welfare of mankind, none of us could differ as to the worthiness of the purpose. We may entertain different opinions as to whether the purpose will be carried out by the administrative officers; personally I can not help but feel that the handling of so important a trust by a self-perpetuating board of trustees is not likely to carry out the wishes of the founder. In other words, you have, I assume, to-day in charge of that foundation men of rare ability—Mr. Murphy, Mr. Greene, Mr. Gates, Mr. Rockefeller. They have the zeal of the mind conceiving it. But how that is to be perpetuated in the remote years to come I do not know. The tendency is for those possessing such power to become indolent, indifferent, and slothful. I am getting away, however, from the question you put, which was, Do I regard it as a menace?

Chairman WALSH. Improperly administered—yes—it might be a menace. I have myself the feeling that we are living in a different age than obtained years ago. There is an increasing spirit of service and a lessening spirit of self-seeking. What might have been possible 50 or 100 years ago is quite impossible now because of the great publicity. Such publicity as grows out of the hearings in such investigations as this, which the public are free to make at any time. I do not fear myself evil result from even such administration as has been provided under the Rockefeller Foundation. The menace of foundations in the past, from the little I know of them, is that they soon become obsolete. They are stupid. There are upward of 50,000 endowed charities in England to-day, as I understand it, the majority of which have proved harmful; but not harmful because they have undertaken to thwart governmental purposes or to disturb the relations between employers and labor, but because they become obsolete. Instead, if you please, of conceiving what the evil was which they sought to remedy, founders have adopted methods that often increase the evil. Following the confiscation of the property of the monasteries in the early part of the fifteenth or sixteenth century, the poor came upon the community of England. Charity took the form of giving doles, handing out sums of money, and that, of course, only tended to increase pauperization. Foundling asylums were created with the thought that they serve a charitable purpose and worthy purpose, but they only tended to increase illegitimacy. The great menace of a foundation, as it seems to me, is its narrowness of conception.

Chairman WALSH. Have you known of any foundation or organization having for its purpose the betterment of mankind by philanthropic and eleemosynary means that has undertaken to make a survey as to the relations between capital and labor or between employer and employee in industry?

Mr. GOFF. None except the Rockefeller Foundation.

Chairman WALSH. There is no other institution of the kind and no other instance of it in history that has been called to your attention?

Mr. GOFF. I know of none.

Chairman WALSH. Commissioner Lennon would like to ask you a question.

Commissioner LENNON. Mr. Goff, must the committee on distribution absolutely expend money received from donors for the purposes the donors set out in their bequests?

Mr. GOFF. No, sir; the donors may indicate a desire for a certain period of time to have the income from their trusts expended in a certain way, but there is lodged with the committee on distribution the power to do otherwise should it see fit.

Commissioner LENNON. Then this foundation in charge of the Cleveland Trust Co. would not be in a position to receive bequests that had a specific end and only one end in view, and could not be used for any other purpose?

Mr. GOFF. Not unless the donor agreed that the committee might have a revisionary power and control.



Commissioner LENNON. What was the substantial reason back of the provision putting the distribution of money from the funds in the hands of a trust company under a different committee and board from the directors of the trust company? What did you expect to serve by having those two boards handle the funds?

Mr. GOFF. Well, I believe personally that the directors of the Cleveland Trust Co. would more safely and prudently care for the investment and reinvestment of the fund; but I believed that the community, through the control given it in the committee on distribution, would make a more wise and beneficial use of the income for community purposes than the directors of the bank.

Commissioner LENNON. Now, in setting out the purposes of some of these great foundations, the statement is made that they are established to promote the welfare of mankind. Is it not possible that in Cleveland, for instance, there are a great many excellent people, equally honest, equally intelligent, who fundamentally differ as to what might be or might not be for the welfare of mankind in the handling of such fund?

Mr. GOFF. Yes, sir.

Commissioner LENNON. Well, is there a possibility of danger in the future that the directors, even though with an honest intention and conscientiously, should undertake to devote a large fund for what they believed to be the welfare of mankind, that another large element of the community would believe that it was for the detriment of mankind; would then such a trust be of benefit to the community?

Mr. GOFF. Mistakes of that kind, it is quite possible, may be made. It seemed to me, through the shifting of the membership of the committee—the membership being limited to five years' service unless reappointment be made by the appointing power—that errors and mistakes of that kind would, through public discussion, become corrected.

Commissioner LENNON. And the people come to see the thing the same way?

Mr. GOFF. Not always in the same way; no, sir, that is quite impossible.

Commissioner LENNON. That is the great question I have in my mind as to these foundations, the difference in our viewpoint as to what is for the welfare of mankind, and how that is to be safely handled in the future—either by a self-continuing board of trustees or even by the plan that you have.

Mr. GOFF. Welfare of mankind under the laws of Ohio must have reference solely to charitable ends, which would include education, scientific research, the maintenance or establishment of art galleries or music halls; they are such things as have been approved by courts, by Parliaments in England, and by legislative bodies in this country as are included as charitable purposes. As to what would be the wisest and most beneficial use of the funds available for charitable purposes is something about which the people might differ, but I do not know of any scheme which is limited, as the Cleveland Foundation necessarily must be, to charitable ends that could be held to be a menace or harmful to the community.

Commissioner LENNON. The greatest difference would arise on the very first word you used, that of education. Might not the city of Cleveland, although I am not well acquainted in Cleveland—I imagine that the city of Cleveland would divide into half a dozen different sections as to what was for the welfare of mankind in the way of education, the method and lines of education.

Mr. GOFF. That is true. There are said to be 350 endowed educational institutions in England serving a harmful rather than a beneficial purpose, one a secondary school where they have two masters and but one pupil, or did have a few years ago.

Commissioner LENNON. That is all, Mr. Chairman.

Chairman WALSH. Commissioner O'Connell would like to ask a few questions.

Commissioner O'CONNELL. I would like to know something about the amount of funds in this foundation.

Mr. GOFF. I tried to make that quite clear, that the Cleveland Foundation being only a little over a year old, and dependent on gifts made by will largely and deeds of trust, has come into possession of no funds directly. In October of last year I estimated, and I felt somewhat conservatively, that upward of \$30,000,000 at that time had been committed, if that is the word to use, to the foundation. The funds are lodged with the foundation or with the Cleveland Trust Co. largely after the death of the donors.

Commissioner O'CONNELL. Has there been any funds used up to the present time?

Mr. GOFF. The foundation has received no funds.

Commissioner O'CONNELL. Consequently there have been none to expend?

Mr. GOFF. No, sir.

Commissioner O'CONNELL. But you have got the possibility in sight of about \$30,000,000.

Mr. GOFF. Somewhat more than that. In October of last year my estimate was something over \$30,000,000, and it is increasing.

Commissioner O'CONNELL. I understand from that that it will be necessary for some one to die before any of that money will be available?

Mr. GOFF. Yes, sir; and after the death of many donors the income is reserved for the use of children and beneficiaries designated. The Cleveland Foundation is rather for the day after to-morrow than for to-day. It is undertaking to gather up for community purposes what I will describe as surplus wealth that very often in a community goes to waste, and making it of service to the community and under the management of the community when available.

Commissioner O'CONNELL. When, in your judgment, will some portion of this fund be available?

Mr. GOFF. The things happen pretty fast; there are three trusts within the last two years of very considerable amount where the purposes are quite as broad as the—I won't say that, but there is one, and that is the Thomas White, where the purposes indicated are similar to those set forth in the foundation—two other trusts of large amounts where unexpectedly large funds have been given for charitable purposes. Some contributors, if I may use that term, of the Cleveland Foundation are well advanced in years, some are childless, some have families to be cared for and their estates will only be available after their deaths and the death of their families. It would simply be guessing as to the length of life of people who have contributed, and that I do not like to do.

Commissioner O'CONNELL. I understand that for the foundation to become the sole possessor of the fund the entire family would have to disappear, as it were—all of the heirs?

Mr. GOFF. No, sir; you can not create a trust for such a time under the laws of Ohio, and I guess it is the same under any one of the States of the Union; there is a limit to the time for which a trust can be created for private purposes. A very considerable amount, as I have stated, of property that has been donated—pledged to the fund—is contributed by those who have no families.

Commissioner O'CONNELL. Has your committee so far arranged for any work of any kind in Cleveland? Are they figuring ahead for taking up any particular work?

Mr. GOFF. Nothing except through this survey committee which has been doing active and, I think, very excellent work since about the 1st of October.

Commissioner O'CONNELL. That is all, Mr. Chairman.

Chairman WALSH. Now, that is all, thank you, Mr. Goff.

#### TESTIMONY OF MR. EDWARD P. COSTIGAN.

Chairman WALSH. Please state your name.

Mr. COSTIGAN. Edward P. Costigan.

Chairman WALSH. Where do you live, Mr. Costigan?

Mr. COSTIGAN. Denver, Colo.

Chairman WALSH. What is your business, please.

Mr. COSTIGAN. Attorney at law.

Chairman WALSH. How long have you lived in Denver, Colo.?

Mr. COSTIGAN. For about 30 years.

Chairman WALSH. Have you had anything to do with the trouble existing in the coal industry in Colorado during the past several months?

Mr. COSTIGAN. In February, 1914, Mr. Chairman, I was engaged by the United Mine Workers of America to represent them in a hearing held by the congressional committee to investigate the Colorado coal strike conditions. I acted in that capacity during the entire hearings through the filing of the briefs before the congressional committee.

Chairman WALSH. You have asked to be heard here, Mr. Costigan, I believe, in connection with both of the questions now under investigation by this commission at this particular hearing; that is, the effect of absentee ownership in industry and the activities of the large foundations so far as the industrial field is concerned. Are you prepared to make a statement covering these questions?



MR. COSTIGAN. I am, Mr. Chairman, and I should like to explain the circumstances under which the request was presented to the commission, if I may.

Chairman WALSH. Very good.

MR. COSTIGAN. In the latter part of December of last year, among others, I testified before this commission in Denver on the causes and remedies for industrial disturbances existing in the State of Colorado. About that time, and at that time I was not representing the United Mine Workers of America but was testifying simply as a citizen; about that time the word reached us that an investigation was to be held in the city of New York on the subject of the Rockefeller and other foundations, and the United Mine Workers requested me to come with some of their people to the city of New York for the express purpose of requesting that the investigation of the Rockefeller Foundation be considered from the standpoint of the Colorado situation.

As a result, Mr. Lawson, international board member of the United Mine Workers; Mr. Doyle, secretary-treasurer for the State of Colorado, of district 15; Mr. Morgan, secretary-treasurer of the State of Wyoming; and some other witnesses came to New York. One week ago last Saturday they formally presented a request to this commission for an opportunity to be heard. Pursuant to that request Mr. Lawson has been heard. That, I think, explains the circumstances under which this request was made.

Chairman WALSH. Are you prepared to make the statement, and could we ask you to be kind enough to make it in your own way, without direct questioning, so far as you can, confining it to the two topics indicated; that is, the results of absentee ownership in industry as you have observed them—the operations of it and the activities of these foundations, so far as the industrial field is concerned.

MR. COSTIGAN. Mr. Chairman, it certainly is proper, as the miners of Colorado have requested that any investigation of the Rockefeller Foundation as a benevolent enterprise, a social asset, or a community liability should be tested by the human drama recently enacted in that State. This is particularly true in the light of the recent report that the sum of \$10,414,918 out of the \$103,930,000 owned by the Rockefeller Foundation is in the shape of stocks and bonds of corporations doing more or less business in the State of Colorado.

My authority to speak from the Colorado standpoint is twofold: First and primarily, as a citizen of that State deeply interested in human welfare and in the close relation that does or should exist between economic justice and the dispensing of charity; secondly, because of the intimate knowledge derived through the professional relations of which I have spoken, and, in a measure, as a representative of the United Mine Workers of America.

The moderation of their demands, the well-grounded nature of the complaints, the conservatism for the most part and with few exceptions of their leadership through long, weary, and heart-breaking months, and the unforeseen and shocking character of their sufferings in the State of Colorado—on all these subjects I speak from definite personal knowledge.

We had on the witness stand yesterday, Mr. Chairman, Mr. John Mitchell, under whose leadership the United Mine Workers attained an international fame. I was reading this morning in the record of this commission the testimony of Mr. Peabody, one of the leading bituminous mine operators of the Middle West, delivered before this commission on April 6, 1914, which, by the way, was the very day on which Mr. Rockefeller, before the congressional committee was delivering the statement in Washington which precipitated Ludlow in the State of Colorado.

In this testimony of Mr. Peabody, which the commission may remember, Mr. Peabody, questioned by Commissioners O'Connell and Weinstock, developed what is, of course, known to be true—the fact that the United Mine Workers of America have promoted in this country higher and better standards of living and have greatly advanced the habits of the mine-workers of to-day. Notwithstanding the fact, as Mr. Peabody testified, that the English-speaking and Anglo-Saxon element among the miners is diminishing rapidly and that the places of these people are being rapidly taken by miners from southern Italy and northern Italy, and Hungarians, Slavs, and so forth; and among other things Mr. Peabody said:

"I think the whole standard of the miner has improved greatly. I have been very much interested with my friend Mitchell"—referring to Mr. John Mitchell, who testified here yesterday—"in going to the miners' houses, to see his picture hanging there rather enshrined. He is rather typical of the Higher Being. I am not joking in this. I am very serious. I am very fond of Mitchell, and I

think his work and the work that has been done under him has elevated the higher standard of their lives. Mitchell is there more as an idea than as a person. He has done wonders for the men socially and in every other kind of way."

This is the testimony, as I say, of a great coal operator, nor is it unusual from the lips of such men.

Prof. Edward R. A. Seligman, of Columbia University, says in a paper published in the New York Times Annalist for the first week of May, 1914:

"The United Mine Workers of America is not an irresponsible organization; on the contrary, it is numerically the strongest union in the world; it has a membership of more than 400,000 paying dues to it; it is established in practically every coal-producing State in the country and in practically every mining Province in Canada; 75 per cent of all coal miners on this continent are employed under the terms of contracts which the organization negotiates with mine owners; the relations existing between the miners and operators are cordial and friendly; the officers of the miners' union are men of high character and marked ability. Mr. John P. White, the president, is recognized by employers in the coal industry as a man of high ideals, great intelligence, and unquestioned honesty. Mr. Frank J. Hayes, the vice president, is equally well regarded. Mr. Greene, the secretary-treasurer, is the majority leader in the Ohio State Senate and speaker pro tempore of that body. Are these the kind of labor leaders to be encouraged or to be frowned down?"

I cite those matters, Mr. Chairman, in passing in order that the propriety of the request made of this commission for a hearing may be estimated by the commission.

At the outset of what I desire to say I wish it particularly understood that nothing testified to may fairly be construed as a reflection on the resources or quality of the people of the State of Colorado.

Colorado is, by natural endowment, matchless among the States of America, particularly the inland States. Her people, taken all in all, are as high spirited, as gifted, as industrious, as humane, as cosmopolitan as any in the world. Her economic history, as I view it, Mr. Chairman, is important to this commission and to the country, not because it has been exceptional, but rather because it is at least potentially typical. What happened to us at Ludlow last April is in some striking respects similar to what happened at Lawrence, Mass., some years ago, and across the line in New Jersey within the last few weeks; and the condition bordering on civil war which prevailed in Colorado in April of last year is one which, with like provocation, may become the situation any day in New York, Pennsylvania, or Ohio, or Illinois, or any other industrial Commonwealth.

For these very reasons that discredit should have been brought on that State in the past year, as we see it, by the very forces that are now striving for public approbation under the guise of philanthropy, is all the more regrettable.

The Rockefeller Foundation, if I am correctly advised, and if I understood Mr. Rockefeller correctly the other day, was incorporated in the State of New York in 1913 for the dissemination of knowledge, the prevention of suffering, and the promotion of the well-being and civilization of the people of the United States and of the world.

Practically within a year after its incorporation its promoters had the responsibility properly laid at their very doors for a record of total failure along each of the designated lines of activity. They, or at least those most influential in the foundation, had sanctioned or permitted the spread of misinformation on matters of public importance of the first grade, the concrete enlargement of human misery, and an unmistakable lapse from just living human standards entirely at variance with our boasted civilization.

In a great human crisis, precipitated within the very household, industrially speaking, of Mr. Rockefeller, his foundation has been heedless or impotent. And the conclusion forced on an unprejudiced public has been and is that Mr. Rockefeller, the business man, has cold-heartedly and without hesitation brushed aside and imposed silence upon Mr. Rockefeller, the philanthropist.

In the State of Colorado, he and his associates have looked on without emotion while communities have been endangered, homes have been desolated, and men, women, and children who might have been saved to efficient service for society have gone down to most pathetic graves. Without protest these captains of industry have seen their corporation subordinates in Colorado oppose the organization of workers in a State which by law sanctions the right of organization.



Nor was it a matter of any consequence to them that the situation represented a fourth like crisis in thirty years, springing from like causes, and that the unyielding attitude of the employers threatened for a time to involve that great third party, the unoffending public, not only in one but in other States, in the throes of civil war. In 1884, 1894, 1904, and again, most menacingly of all, in 1914, the industrial clock in Colorado struck with solemn and insistent warning.

Yet not even the proposed benevolences of Mr. Rockefeller and his associates have modified their rigid and implacable attitude.

The foundation has purported to represent disinterested and untrammelled investigation, and the activities of Mr. Kneeland in Chicago, Mr. Fosdick in New York, and Mr. Flexner here and abroad, had led the nation to cherish higher hopes of an inspired and fearless probe of wrong economic conditions, high and low.

The testimony of young Mr. Rockefeller before the congressional committee on April 6, 1914, however, dramatically and unforgettably did three things:

1. It dashed these hopes to earth for the time being at least.
2. It demonstrated the dangers and unreliability of charity and the inferiority of charity to economic justice.

3. It proved that absentee landlordism in Colorado has been the foundation of a feudalism on the part of employers toward employees which has been indifferent to State and even Federal law, which at times in parts of Colorado has dominated government in all its branches, executive, legislative, and judicial, which through the use of hired detectives and gunmen has promoted and made private war and ignored the necessary view that the levying of war is a public function. It would appear unnecessary to review the laws which were shown in the congressional hearing to have been violated by the coal companies of Colorado, including the Colorado Fuel & Iron Co., of which Mr. Rockefeller is the dominant figure.

Mr. Lawson testified on this subject the other day, and there is of course a great deal of testimony in the record. I myself have already testified on this subject of law violation.

I may say briefly that in my judgment the laws of the State of Colorado touching semimonthly pay days, discrimination against union men, blacklists, the eight-hour day, scrip, checkweighman; those looking to the prevention of mine accidents and deaths; those touching deception of workmen brought in to break strikes; those requiring peace officers to be bona fide citizens, and residents of the State; the Federal law also dealing with post offices and peonage, not to mention the constitutional guaranties of free speech, the right to petition for the redress of grievances, the right of assembly, and open courts, with or without militia in the field, have been long disregarded by the coal companies of Colorado, including the company of Mr. Rockefeller.

In the testimony given before the congressional committee, Mr. Welborn and others presented some matters which show the undisputed situation as to feudalism. Perhaps some references to that should be read into the record. Mr. Welborn enumerated the closed camps in Colorado, such as Moreley, Primero, Segundo, Tercio, Frederick, Rouse, Lester, Ideal, Cameron, Walsen, Robinson, McNally, and he might have mentioned Berwind and Tabasco in that connection.

Mr. Welborn, before the congressional committee, also testified that in those camps the charge for rent was arbitrary and the company is unwilling to sell homes to the miners even where they have been employed by the company in such camps for as long a period as 24 or 25 years.

The publication known as Facts, given to society by Mr. Ivy Ledbetter Lee during the fall or winter of last year, enumerated many of these arbitrary charges and defined part of the company management in the various camps.

So we have in the record of this commission, Mr. Chairman, many letters and admissions which show the character of the feudalism growing out of the absentee landlordism to which I have referred.

For instance, at page 1608 of the Commission on Industrial Relations record, we have the letter from Mr. Weitzel to all the superintendents of the C. F. & I. in southern Colorado, and in their capacity as school directors, instructing them to select teachers after consultation with Mr. Merritt, with the clear implication that the teacher must be acceptable to the Colorado Fuel & Iron Co.

There has already been comment and testimony introduced in this record on the same sort of interference with the church of these closed camps. The letter from Mr. Welborn to Mr. Murphy, of October 31, 1914, suggesting the change

of the minister in Sunrise, was commented on, and Mr. Rockefeller was questioned upon that subject the other day.

That letter is also in the records of this commission. The same line of testimony shows the entire control of the saloons in these closed camps. Mr. Lawson, I think, testified fully about that matter. And the record upon the subject of the violation of law, the undisputed record, is interesting and pertinent in this connection.

Mr. Welborn admitted in the congressional testimony, copies of which I have here, that the semimonthly pay-day law which was enacted in 1901 had been put into effect by his company for the first time February 1, 1913; that scrip, which was abolished presumably by law in 1899, was abolished by his company January 1, 1913; and he admitted that the eight-hour law was put into effect by his company March 1, 1913, the original law on that subject being passed in Colorado in 1899. There was much controversy in the courts over it, and it was declared unconstitutional. The constitution was amended, and a long period of legislation ensued in which certain acts went into effect prior to the date Mr. Welborn indicates. But enough is shown from these admissions and from the undisputed record to make clear that the absentee landlordism did in fact eventuate in the feudalistic type of control about which so much has been said to this commission.

The blacklist was shown in the congressional hearing to have continued for years, notwithstanding the laws of 1897 and 1905.

Discrimination against the union men has been shown down to the present time, notwithstanding the laws of 1897 and 1911. Interestingly in this connection may be mentioned the fact that Mr. Welborn admitted at the Denver hearing before this commission—his admission being found on page 1091 of this commission's record—that the men employed by the Colorado Fuel & Iron Co. and other companies "are more or less at the mercy of the employers"—I am quoting his exact words—"more particularly where there is no collective bargaining."

Following this admission we have the letters introduced by Mr. Welborn, in one of which—namely, the letter of October 9, 1914, in your records at page 1401—Mr. Welborn pointed out how easy it would be to designate three safe men in certain camps of the Colorado Fuel & Iron Co. for the purpose of putting into effect what might to the public appear to be collective bargaining. The purport of that letter, if it is to be interpreted in the ordinary sense in which language may be interpreted, is, of course, that Mr. Welborn and his associates are willing to allow collective bargaining if they control its outcome. They are willing to allow arbitration if they may name the arbitrators. And, of course, this proposition ties up closely with the proposition of Mr. Mackenzie King, which will be mentioned later.

In the face of the complaints of men based on such grievances and such a situation, the leading officials of the Colorado Fuel & Iron Co. and other allied coal companies in Colorado, both before and during the strike of 1913-14 in that State, consistently refused to meet for the discussion of grievances, real or otherwise, at the same time, in the same room, under the same roof with the representatives of organized labor, who have been so highly spoken of by Prof. Seligman, Mr. Peabody, and others, and it can be fairly established that this arrogance of a feudalistic type was sustained by the intolerance toward public rights and needs, made possible by the absentee landlordism of Mr. Rockefeller.

Mr. Rockefeller's testimony before the congressional committee on April 6 should be recalled in this connection.

Mr. Lawson, the other day, summarized the testimony of Mr. Rockefeller before this commission, but did not, I believe, contrast it with the testimony of Mr. Rockefeller on that occasion.

In its most striking aspects Mr. Rockefeller's testimony was as follows: The Colorado Fuel & Iron Co. produces approximately 40 per cent of the coal mined in Colorado, and Mr. Rockefeller's father owns 40 per cent of the stock and bonds of that company. Beyond being the dominant industrial individuality in the country at large and in the Colorado Fuel & Iron Co., Mr. John D. Rockefeller, jr., made clear that he represented his father in that company; that he had not attended a directors' meeting and had not visited Colorado for 10 years; that he did not know what wages are paid the Colorado miners by his father's company, what rent is charged for the company's houses, what profit the company makes from its stores, whether the miners can acquire title to their homes, whether the company had bought ammunition or guns



during the strike; and he added that he hoped there were no saloons on the company's property, revealing by his reply definite ignorance on that subject.

He stated that he relied upon Mr. Welborn and Mr. Bowers, who, he understood, were in constant touch with the employees of the company. With apparent conviction he defended his attitude, pointing out that he was accustomed to rely on the most efficient subordinates he could find, taking the position of Mr. Morgan yesterday on that subject: that having placed his confidence in such men he said that he was determined to back them up; that they had stated to him that the strike was without merit, and that 90 per cent of the men did not want unionism. He planted himself in this connection firmly on the proposition that it was preferable to lose the Rockefeller millions than to recognize the unions in Colorado. He called the fight against unionism in Colorado and for the privilege of employing men when and under what conditions they chose one for principle; and he made evident his determination not to investigate reports outside of subordinate officers, although fully aware that conditions in Colorado were reported to be shocking, and he added that his conscience entirely acquitted him.

Mr. Rockefeller's testimony should be read in connection with that of Mr. Welborn and Mr. Bowers, also given before the congressional committee.

Mr. Bowers said he took all matters of importance up with Mr. Rockefeller, notwithstanding he was ignorant of Mr. Rockefeller's holdings in the Colorado Fuel & Iron Co.

Mr. Welborn testified that he was not personally acquainted with all the company's mine superintendents; that he was not accustomed even to talking with the coal miners, and had not even met them personally when they were discussing the strike at the time when it was called.

General Manager Weitzel under Mr. Welborn further revealed the remote and absentee character of landlordism by testifying that not even he visited the mines frequently, and there was testimony such as that of James Fyler, given before the congressional committee, to the effect that Mr. Weitzel did not come around among the miners enough to be personally known to them, even by sight.

If ever absentee landlordism, a landlordism of an absentee character in many successive stages, was proven to exist, it was shown in the State of Colorado by the admissions of Mr. Weitzel, Mr. Welborn, Mr. Bowers, and Mr. John D. Rockefeller, jr., himself, who now comes before the country in the humanitarian aspect of president of the Rockefeller Foundation.

On another side, however, the testimony as to Mr. Rockefeller's remote reliance upon his subordinates in Colorado does not appear to have been entirely ingenuous. Letters and telegrams were produced before the Commission on Industrial Relations at its Denver hearing tending to show that Mr. Rockefeller manifested at times a very lively interest in the conduct of the Colorado Fuel & Iron Co. The voice was the voice of Welborn, but the hand was the hand of Rockefeller. Mr. Rockefeller's telegram to Mr. Welborn of April 30, 1914, was direct evidence of Mr. Rockefeller's active participation in the Colorado management. Mr. Rockefeller's letter of August 11 to Mr. Welborn, inclosing a memorandum prepared by Mr. W. L. Mackenzie King, of Canada, discloses the same intimate, observant, and controlling attitude, and the inclosure from Mr. King interestingly indicates a plan in contemplation by Mr. Rockefeller and Mr. King of providing for collective bargaining and arbitration in labor disputes, though without the compulsion and quite independently of law.

Mr. King's recommendations, which were evidently invited—and I believe Mr. Rockefeller admitted here that he invited and approved them—are commented upon by Mr. Rockefeller in this correspondence and show a decided hostility to dealing in any manner or form with the United Mine Workers of America. He points out that because of the European war—and I am quoting his exact language—"there are many foreigners who may feel compelled to return to Europe, and that may prove a factor of importance" in terminating the Colorado strike.

He further coldly asserts, to quote him exactly, that "in certain industries it is going to be easy for employers to find all the labor they desire, and unions will be confronted with a new problem. Recognition," he says, "simply for the sake of recognition is going to be seen less pressing as an immediate end than that of maintaining standards already existing, and the union men may rightly come to regard as their friends and allies companies and corporations large enough and fair enough to maintain these standards of their own accord. For the unions to take a different view will certainly mean to lose the sub-

stance of fair conditions while wasting resources in fighting for the shadow of recognition."

It will be observed, in passing, that the proper point of view, the democratic self-governing point of view, as to the right of association, as Mr. Mitchell called it yesterday, is entirely lost sight of in this statement of Mr. Mackenzie King. The right to organize and deal collectively are fundamental, and every argument in opposition has been used in times past by those who have denied such other elemental rights as free speech, and even political self-government. Any open-minded reader of what has just been quoted from Mr. Mackenzie King and the other correspondence submitted to this commission at the Denver hearing must have concluded, even without the admission of Mr. Rockefeller last week, that the appointment of Mr. Ivy Ledbetter Lee as the secret publicity man for the coal operators of Colorado, at a salary of \$1,000 per month, in the political campaign of last summer and fall, was a further act directly sanctioned by Mr. Rockefeller. This selection of one standing high in the councils of Mr. Rockefeller and his foundations resulted in the circulation of gross falsehoods, among which those untruths relating to alleged excessive salaries paid officers of the United Mine Workers have been publicly admitted, although somewhat belatedly, and these widely circulated libels had the undoubted effect of prejudicing public opinion and arousing public passion in a vital hour of industrial struggle against the officers and misrepresented practices of the United Mine Workers of America.

We have, then, clear proof in the testimony in the Colorado hearing of an undemocratic, feudalistic state of industry existing there—a remote landlordism dipping into the management of its foreign property whenever so disposed and shielding itself against responsibility for shocking practices whenever assailed by public opinion on the pleas of humane generosity or reliance on subordinates. We have, too, the direct promotion of misinformation given widespread public currency and the moving picture revealed of coldly calculated schemes set on foot to compel the workers to accept the mere largesse of big business, while big business demands the surrender of the rights and advantages of collective labor in a world of collective capital and offers what is termed the substance rather than the shadow of union recognition. The plan on analysis reveals nothing but a determination on Mr. Rockefeller's part to deal out feudalistic benefits and to resist compulsion in that direction. Most sinister of all, we discover an attitude of hard indifference to public consequences precipitated by autocratic determination to run business as its masters prescribe, without legal restriction or public control of any genuine sort. This is the very heart of the criticism, both by Mr. Lawson and Mr. Mitchell, of the impracticability of the proposed conference between the operators and the representatives of the mine workers who are to be selected by the miners in groups of 250. The suggestion of Mr. Lawson and Mr. Mitchell in that connection do not require, I assume, any addition from me at this time.

All this testimony, interestingly enough, ties up with the very forces which now seek public favor under the title of the Rockefeller Foundation, organized to do the very things which in their domination of the recent coal strike in Colorado from the employers' standpoint they have signally neglected and failed to do, namely, diffuse information, prevent suffering, and promote well-being and civilization of the people in the United States and in the world.

The fundamental fault alike of Mr. Rockefeller's business methods and his philanthropies would appear to lie in its personal direction and its promotion of personal advantage to the exclusion of the public welfare. In the investigations of the hookworm in the South, the vice districts in Chicago and New York, and in his generous donations to the Belgium fund, Mr. Rockefeller has shown the splendid side and possibilities of intelligent charity. For these beneficent acts he is entitled to and will doubtless receive proper public appreciation. The one danger in them in the light of Colorado's experience is that these philanthropies may obscure the sordid practices of big business in Colorado and elsewhere, out of which Mr. Rockefeller and others derive vast funds, a portion only of which they expend in directions tending at one and the same time to their laudation and their further earning power.

The fundamental fault in Mr. Rockefeller's attitude toward the public and the workers appears to lie in its undermining autocracy. We have in the Rockefeller Foundation a supreme example of the philanthropy which deadens, by its large benefactions, a public criticism which otherwise would be as formidable as inevitable.



In Colorado, where Mr. Rockefeller is financially interested on the earning side, he has ignored the standards to which the foundation is dedicated. He has relied on Mr. Bowers, Mr. Welborn, and Mr. Weitzel, taking their report of conditions as conclusive, regardless of disinterested advice. He did not so proceed when the vice districts of New York and Chicago were under scrutiny. There he sent expert and incorruptible investigators, but he sat indifferent, his eyes closed, and his ears deaf to the sorrows and cries of men, women, and children in Colorado, allowing Mr. Welborn and his associates to act as judges in their own case with reference to complaints against tyrannous and lawless practices uttered by thousands of men in their employ.

Is it too much to say that a philanthropy so inconsistent, unless corrected and liberated, must become a menace to the civilization it purports to serve? The presumption which should be indulged against the withdrawal of great fortunes from productive industry for eleemosynary purposes will therefore certainly be called into play against the Rockefeller Foundation until such practices as have prevailed in Colorado are corrected, and unless science and humanitarianism, as a matter of fact, walks hand in hand under the banner of charity. Society has a right to demand that charity shall no longer cover a multitude of economic sins. Mr. Rockefeller, who appears to the world in the relief afforded Belgium, a liberal benefactor, stands convicted before the workers of Colorado as a narrowly biased and visionless money-maker. Philanthropy so conducted from the beginning of the world to the present day has been a barrier to the correction of economic wrongs. It has promoted aristocracy; it has retarded democratic equality of opportunity, and so considered the Rockefeller Foundation and other like philanthropic undertakings may themselves be counted by this commission vital causes of present-day industrial unrest.

One question remaining to be investigated, to which insufficient attention has been given, is this: Who have been the victims of the antisocial feudalism and the absentee landlordism complained of, leaving the unoffending public out of the question for the time being? No charge has been more frequently made than the one that ignorant foreigners have precipitated all the industrial difficulties in Colorado.

I hold in my hand a pamphlet of the character given circulation in Colorado last summer and fall, this being part of a report of a subcommittee appointed to investigate the strike situation by the Kensington Council, No. 16, Junior O. U. A. M., circulated by the coal operators of Colorado last fall. In it occurs this statement, which has been commonly made in that State:

"Practically all of the miners involved in this strike are ignorant, depraved, and brutal foreigners, from the lowest and poorest class of people of southern Europe, who know little and care less for the principles of free government."

If these charges were true they would not relieve the employers from a grave responsibility, since, as Mr. Welborn himself indicated in his letter to Mr. McClement of December 4, 1913, the Colorado Fuel & Iron Co. had established, as it established in prior strikes in Colorado, an employment organization for the active movement of men from the East. These men, imported as strike breakers, as the congressional investigations showed, were the commonest order of foreign labor. Many of them were illiterate. They were of scattered nationalities and, as the testimony on the subject of peonage showed, some of them were far below the human average, physically and mentally. The responsibility for their importation manifestly rests directly on the employers, and the correspondence and testimony of the employers will be searched in vain for any apology for their sweeping of the dregs of human labor to displace old-time employees in the State of Colorado.

On the contrary, the correspondence of Mr. Welborn and Mr. Rockefeller alike and the frankly outspoken attitude of Mr. Osgood leave no doubt of the determination of the employers to use every means available for economic profit. This attitude is bolstered up by any and every argument. For instance, in Mr. Welborn's letter to Mr. McClement of December 4, 1913, Mr. Welborn gives as an excuse for not discussing with employees even just grievances the following explanation:

"There has never been any substantial objection to meeting our own employees or our former employees for the purpose of discussing proper matters, yet we have felt that such a meeting might be construed as an indirect recognition of the officers of the union."

Under what conceivable circumstances, assuming the correctness of this position, might similar refusal not be made? Mr. King's interesting suggestions

of August 6, 1914, already mentioned, show the same determination to run the business of the Colorado Fuel & Iron Co. as that corporation sees fit. Mr. King points out that the situation in Europe and the large amount of unemployment resulting from the war are going to eventuate in thousands of men from the Old World seeking employment here. Without reference to the right or wrong of a proper adjustment of the industrial situation, Mr. King is evidently urging on Mr. Rockefeller a waiting policy, which he anticipates will undermine unionism and tend to restore what he calls "normal conditions in Colorado."

It is perfectly manifest, therefore, that Mr. Rockefeller's position is not in essence one of assault on the so-called "ignorant foreigner" except when Mr. Rockefeller figures that the foreigner is not working in harmony with the Rockefeller plans. Indeed, Mr. Welborn, in his letter of May 27, 1914, to Mr. McClement, pays tribute to the great loyalty to employers manifested by foreign employees in Colorado in the difficulties after Ludlow.

An impartial investigation of the chief sufferers in the Ludlow catastrophe will conclusively demonstrate that they were not for the most part ignorant or undesirable citizens, as so often represented. The industrial war in Colorado involved and ruined many exceptional and valuable types of men and women representing the best foreign elements of our population. Moreover, it indiscriminately cut down American citizens of the first, second, and even third generation.

Mrs. Petrucci, whose three children were smothered at Ludlow, was born at Hastings, Colo., within 3 miles of their death place. Her husband is a naturalized citizen. She is a citizen by birth, and her children were, of course, citizens.

Mr. Fyler, who died unarmed at Ludlow, shot while a militia prisoner on the night of April 20, was an American citizen, frank, intelligent, religious, and home-loving. He testified twice before the congressional committee in Colorado last February. His wife and three girls, his married daughter and her baby, his grandchild, were all in the zone of fire and in imminent peril throughout the Battle of Ludlow.

Louis Tikas, who died at the same time and under the same circumstances with Fyler, after first being subjected to assault, having a rifle stock broken over his head by Militia Lieut. Linderfelt, was commonly understood to be a graduate of the College of Athens and a descendant of famous Greek leaders. He wielded an unusual influence among all foreigners in southern Colorado, especially among the Greeks, and Capt. van Cise, formerly of the Colorado State Militia, has repeatedly declared that Tikas was the greatest single agent for peace during the strike in southern Colorado.

Mrs. Dominiske, who witnessed and was in danger through almost all the thrilling incidents of the Battle of Ludlow, the mother of three children of tender years, who accompanied her throughout the day, is of English birth, and an American citizen by marriage, her husband having been born in Pennsylvania.

I mention these things because Commissioner Weinstock questioned Mr. Mitchell closely yesterday upon the conditions surrounding the violence following Ludlow and because the same questions were directed the other day in much detail to Mr. Lawson; and I desire to say in this connection, Mr. Chairman, that the United Mine Workers of America have to-day in this room, in the presence of this commission, Mrs. Dominiske, to whom I have referred, and Mrs. Petrucci, to whom I have referred, typical representatives of the people who were in the Ludlow colony on the day when it was destroyed. And I think there can be no proper answer given to the inquiries made of Mr. Mitchell yesterday by Commissioner Weinstock, and very properly made, but there can be no adequate reply given to those inquiries as to the violence which occurred after Ludlow except through this commission calling these witnesses to the stand and letting them tell in their simple, self-respecting ways what occurred on that occasion. This commission should know the story.

These women are of humble circumstances, but they are, as I have indicated, respectable in every sense. They are entitled to be heard here, and neither one, so far as I am informed, has ever given her testimony publicly and broadly upon this subject. And on behalf of the United Mine Workers of America, I desire to present formally to the commission a request that Mrs. Dominiske first and Mrs. Petrucci next be permitted to tell their stories of Ludlow for the consideration of this commission in connection with the so-termed "Call to Arms," about which Mr. Mitchell and Mr. Lawson were particularly interrogated.



It is needless to enumerate further; neither Mr. Rockefeller nor any portion of the public can escape the conclusion that our industrial methods, when dominated by feudalism of Mr. Rockefeller's type, are bringing ruin and death on men, women, and children who are naturally equipped to exalt rather than lower the standards of our citizenship.

In the long controversy in Colorado's latest strike the United Mine Workers demanded law enforcement and fully recognized the principle that the rights of society were of more importance than the rights either of labor or of capital.

It appears certain that the Colorado strike might have been settled from that standpoint months after its origin by the simple device of a conference for the discussion of grievances, where the public's primary rights could have been made the basis of reasonable terms. With or without excuse, the request for a conference was denied from first to last by the operators. As a result the principles of feudalism have again triumphed in Colorado and we now have the beneficent suggestion made that the Rockefeller Foundation, following the Rockefeller triumph over union labor in Colorado, will investigate the labor conditions in that State.

In other words, Mr. Rockefeller plans to do his own investigating, as he conducted his own settlement of our industrial difficulties. He does not recognize the supremacy of social rights or the soundness or impartiality of governmental investigation. He plans to drive all the time with the reins forever in his own hands. Nothing could more clearly demonstrate that the Rockefeller Foundation is primarily an asset of the Rockefeller industrial system, and only secondly a public charity. It is pertinent to remember that even feudalism and slavery boasted of their occasional generosity.

Certain conclusions from the analysis of the Rockefeller Foundation in its relation to the Colorado situation would appear to be warranted. One is that feudalism in industry must yield to democracy among the workers if permanent peace is to prevail and society's welfare is to be paramount. Another is that justice is more important than charity, and society may even need to limit fortunes, if their generous employment is to be in the direction of their further reckless accumulation. Another is that private charity, whether from a dead or from a living hand, closes the mouth of criticism, blinds society to the faults of the benefactor, whether of omission or commission, and permits the philanthropist to plume himself on virtues, forgetful of offenses, with consequent false standards all along the line, delaying the day of democracy of labor and equality of opportunity.

Finally, may it not be said to be established that justice and charity are alike functions of the State, which may and should employ them in the interest of all rather than some? When private philanthropy results merely in further exploitation, is it not time to turn to public agencies for the conservation alike of property and of the rights of men, women, and children? The most generous estimate that the somewhat disillusioned public will place on Mr. Rockefeller's activities is that the foundation is dealing with effects, while through the Colorado Fuel & Iron Co. and other industrial agencies he is actually and visibly feeding the flames and causes of industrial unrest.

Chairman WALSH. Commissioner Weinstock would like to ask you some questions.

Commissioner WEINSTOCK. Before putting the question to you, Mr. Costigan, that I am about to submit, it may be well, in order that it may not be misunderstood, to call attention to the fact that as an employer I am on record as being in favor of organized labor and being in favor of recognizing and dealing with organized labor, and in my own affairs wherever there has been organized labor I have invariably recognized and dealt with it. Yet I want to ask you this question: Would you regard it as a moral or legal crime for an employer, for any reason or for no reason, to decline to recognize or deal with organized labor?

Mr. COSTIGAN. At the present time, Mr. Weinstock, I know of no law which makes it a crime, legally speaking, to refuse to deal with organized labor. Ethically, I believe that society has about arrived at the point of view that men who desire to organize should be permitted to organize and deal through their representatives with collective capital.

Commissioner WEINSTOCK. Again speaking for myself, Mr. Costigan, while I think it wise and proper and in the interest of the common good as an employer to recognize and deal with organized labor, I feel that my neighboring employer, my competing employer, has just as much moral right and legal right to refuse, for any reason or for no reason, to recognize or deal with

organized labor. Now the crux of this whole issue, Mr. Costigan, as I gather it, in the Colorado situation is the one point, the recognition and dealing with organized labor. When we get at the heart of what you have presented in so able and so exhaustive a manner before this commission we find that seemingly from your point of view the sin of the Colorado operators was in their refusal to recognize or deal with organized labor; and yet I think we will have to admit that when they did that they stood upon their rights; and while you and I and many of us might criticize their judgment, might feel that it was a mistake on their part not to have done so, they have a right to the exercise of their judgment, to the exercise of their opinions, precisely as you and I have the right to the exercise of our judgment and of our opinions. Does it not then resolve itself down to this one thing simply, to a criticism of their judgment in the exercise of their moral and legal rights?

MR. COSTIGAN. I think not, Mr. Weinstock. They ignored the rights of society, and I do not want in my former reply to suggest that I believe that they may ignore the ethical appeal of modern society and refuse to deal with the employees. The coal operators in Colorado ignored society's rights and went further. They indulged in practices which made it exceedingly difficult for their employees to meet the economic burden thrown upon them. They not only refused to confer with our organized labor, they refused to confer with any group of employees, whether within or without a union, who might have desired to meet together and select a representative. They refused to go even so far as they now purport to be going, and I am not speaking at this time of the violations of law which I have somewhat hastily sketched, which provoked a great portion of the disturbances in the State of Colorado. I don't know that I answer your question, but if not I shall be glad enough to elaborate my views.

Commissioner WEINSTOCK. Well, now, be good enough, Mr. Reporter, to read my question. I don't think it does quite answer my question, Mr. Costigan.

(Question read as follows: "Again speaking for myself, Mr. Costigan, while I think it wise and proper and in the interest of the common good as an employer to recognize and deal with organized labor, I feel that my neighboring employer or my competing employer, has just as much moral right and legal right to refuse, for any reason or for no reason, to recognize or deal with organized labor. Now the crux of this whole issue, Mr. Costigan, as I gather it, in the Colorado situation is the one point, the recognition and dealing with organized labor. When we get at the heart of what you have presented in so able and so exhaustive a manner before this commission we find that seemingly, from your point of view, the sin of the Colorado operators was in their refusal to recognize or deal with organized labor; and yet I think we will have to admit that when they did that they stood upon their rights, and while you and I and many of us might criticize their judgment, might feel that it was a mistake on their part not to have done so, they have a right to the exercise of their judgment, to the exercise of their opinions, precisely as you and I have the right to the exercise of our judgment and of our opinions. Does it not then resolve itself down to this one thing simply, to a criticism of their judgment in the exercise of their moral and legal rights?")

MR. COSTIGAN. One answer that I should give to that question, if I understand it, is that, in my judgment, the crux may or may not have been the failure to recognize or deal with organized labor. My judgment is that the failure to recognize was not important; that the failure to confer was important. But beyond that the coal companies of Colorado, had they obeyed the laws of the State of Colorado, would have averted the distressing strike which occurred in that State, with or without the recognition of organized labor and with or without conference with its people. That is my judgment.

Chairman WALSH. At this point we will stand adjourned until 2 o'clock this afternoon.

(Thereupon, at 12.30 p. m. of this Tuesday, February 2, 1915, a recess was taken until 2 o'clock p. m.)

AFTERNOON SESSION—2 P. M.

Chairman WALSH. Mr. Costigan, will you please resume the stand?

We will have perfect order, ladies and gentleman, and we will proceed.

Commissioner WEINSTOCK. Mr. Reporter, will you kindly read Mr. Costigan's last answer just before the noon recess?



(Answer read as follows: "One answer that I should give to that question, if I understand it, is that, in my judgment, the crux may or may not have been the failure to recognize or deal with organized labor. My judgment is that the failure to recognize was not important; that the failure to confer was important. But beyond that the coal companies of Colorado, had they obeyed the laws of the State of Colorado, would have averted the distressing strike which occurred in that State with or without the recognition of organized labor and with or without conference with its people. That is my judgment.")

Mr. COSTIGAN. May I continue my answer, Mr. Weinstock?

Commissioner WEINSTOCK. Yes.

Mr. COSTIGAN. I should like to read into the record, in connection with that answer and bearing especially on the subject of the morality phase of Commissioner Weinstock's inquiry, the following statement made by Seth Low in an address as president of the National Civic Federation at Washington in March, 1912:

"It appears to me utterly impossible for stockholders united in a corporation to sustain themselves in a position of claiming for themselves every privilege of combination and at the same time to insist upon dealing with their employees only as individuals and to deny them the right of collective bargaining. When a corporation declines to recognize a labor union, is it not doing precisely this? I understand perfectly that the employer would rather be entirely free to do as he pleases. The precise point I am trying to make clear is that he can not expect to be free to do as he pleases under the combinations of modern industry. Men are combining in all departments of life as never before, and industry can not expect to be exempt from this world-wide tendency. The old personal relation between the employer and employee has gone by the board, with the result that the men are, in a sense, forced to look after their own interests because the impersonal employer perhaps without meaning to be so, is perhaps less interested in them than the employer was in the old days when master and workmen worked side by side.

"And above everything else, the spirit of democracy is in the air so that men who are constantly influencing the government under which they live, are naturally determined to have something to say about the conditions under which they are called upon to work. The employer can decline, as he often does, to recognize a union, and in that way he can provoke strikes, which, in their turn, result in violence. When he does this simply because he is unwilling to recognize a labor union, he perpetuates, if he does not create, a state of war in industry. And he must share the responsibility for this result when he acts so illogically.

"The so-called open shop, in most instances, is not a shop in which union men and nonunion men work side by side. Ordinarily it is a shop from which union men are excluded if they are known to belong to a union, or, if they are admitted, they are admitted only upon condition that they forego many of the advantages for which they joined the union, conspicuous among the advantages to be derived being the right of collective bargaining through representatives of their own choice."

I need not add, of course, that Mr. Low has been mayor of New York, mayor of Brooklyn, president of Columbia University, a business man in the partnership of A. A. Low & Sons, and an arbitrator in many important disputes. I should like to add also as part of my answer the following brief quotation from the work of Adams and Sumner, known as Labor Problems, reading from page 227:

"The present function par excellence of labor organization is the collective bargaining, and collective bargaining, it is believed, is the inevitable precursor, historically speaking, of the era of industrial peace."

I think it will be sufficient to supplement those two quotations by the expression of the opinion that it is ethically wrong in our time, and in the light and in the modern view of the relations which should exist between capital and labor, for collective capital to decline to confer with collective labor.

Commissioner WEINSTOCK. Coming back, then, to your answer, Mr. Costigan, you state that in your judgment the failure to recognize organized labor was not important; that the failure to confer was important. If I, as your employee, Mr. Costigan, should, for any reason or for no reason, suddenly leave your employ and do it in a way to cause you the greatest inconvenience and the greatest loss to your business, should do it with a deliberate intention to cripple your business if I could, would you be blamed if you refused thereafter to confer with me?

Mr. COSTIGAN. Will you permit me to answer something that your question first suggests before I take up the latter end of the question.

When I made the statement that the failure to recognize organized labor was not important, and the failure to confer was, in my judgment, important, I referred to methods for obtaining industrial peace in the particular dispute which occurred in the State of Colorado. I was not laying that down as a broad social proposition.

I believe, Mr. Weinstock, that in the instance you speak of, there would be some ethical obligations on the part of the employee, ordinarily speaking, to consider the welfare of the employer. I think, however, that that suggestion should be supplemented by the statement that the human right to work or to quit work ordinarily should be regarded as something superior to the convenience of an employer. And I think that the instance you cite is one of the instances which justifies laying some emphasis upon what we term human rights as distinguished from property rights.

Mr. WEINSTOCK. Well, then, your position, I take it, Mr. Costigan, is practically this: That when a body of workers come together and organize themselves into a union, and they come to the employer and want recognition, that it is the ethical duty of the employer to grant them recognition? Is that your position, Mr. Costigan?

Mr. COSTIGAN. My position, Mr. Weinstock, briefly, is this: That when any number of employees, let us say five out of any number, say as many as a thousand, desire to act concertedly with their employers, those five should be permitted to organize, elect a chairman, a secretary, or other representatives, and whether in a closed or an open shop should have the right to present their grievances and their point of view to the employer. It is not necessarily a position calling for a closed shop.

Commissioner WEINSTOCK. Well, then, substantially, Mr. Costigan, I think I stated your position correctly: That if a group of workers come together and organize and appoint representatives, that it is the ethical duty of the employer to recognize and to deal with that.

Mr. COSTIGAN. If by that you mean recognize, I certainly so believe.

Commissioner WEINSTOCK. Very well. Now, if you were an employer, Mr. Costigan, would you care to recognize or to deal with a group of men, no matter who they were or what they were, that you knew in advance were contract breakers, for example, and that any agreement that you might make with them would last only so long as it suited their purpose—would you care to recognize or to deal with a group of men such as that, for example?

Mr. COSTIGAN. Granting your hypothesis, I presume I should not care to. I am not saying that there may not be some social obligation, though, to deal with such men.

Commissioner WEINSTOCK. You and I know, for example, that the I. W. W.'s, to illustrate, boldly announce the statement that they will not respect any contract made with employers; that they regard themselves at perfect liberty to break any contract or any agreement made with an employer when it suits their will. Would you, therefore, for example, recognize or deal with a group of I. W. W.'s?

Mr. COSTIGAN. To the extent to which I have committed myself, I certainly would. That is, if any group of employees in my establishment desired to meet, elect representatives, and send them with their grievances or their complaint to me, I should feel that that right was well grounded in social necessity.

Back of the question you ask, Mr. Weinstock, lies the economic fact that the employer must first employ the men of whom you speak. He is not obliged, in other words, to begin the relation at all. But if he does create the relation with these men, he ought to hear their grievances, if they have any, whether real or imaginary.

Commissioner WEINSTOCK. Well, then, as an employer, I take it, Mr. Costigan, even if it developed that your employees, for example, were I. W. W.'s, and they shouted from the housetops that they were perfectly frank and straightforward in their statements that any agreement they entered into with you would not be respected by them whenever they thought it was to their interests not to respect it—despite that fact you would recognize and deal with them, would you?

Mr. COSTIGAN. To the extent I answered you, I certainly should.

Commissioner WEINSTOCK. Would you accord to other employers, under the circumstances, the right to refuse or decline to deal with them?



Mr. COSTIGAN. I should not, referring to the standard I have attempted to state. As I see it, the employer would have ordinarily the right to discharge or the right to employ, and those safeguards ought to protect the employer under normal circumstances.

Commissioner WEINSTOCK. In passing, Mr. Costigan, you are quite familiar, of course, with the laws and regulations of the United Mine Workers of America. I take it you have thoroughly informed yourself on them. May I ask for information? Are the United Mine Workers of America, as a body, socialistic? Are they committed to socialism collectively; that is, officially?

Mr. COSTIGAN. My understanding is that they are not. However, I do not speak on that with final voice, but I think the general public are advised that they have not openly advocated socialism.

Commissioner WEINSTOCK. Do you know whether it is a part of the by-laws of the United Mine Workers of America that they are committed to socialism?

Mr. COSTIGAN. I assume that it is not; but I should prefer to have Mr. Lawson, who is here, answer questions of that kind.

Commissioner WEINSTOCK. If Mr. Lawson is here, I will put that question to him, if he will answer.

Chairman WALSH. He is sitting over there [indicating]. Please stand up, Mr. Lawson; Commissioner Weinstock would like to ask you one other question.

#### TESTIMONY OF MR. JOHN R. LAWSON—Recalled.

Commissioner WEINSTOCK. Is the United Mine Workers of America officially committed to socialism?

Mr. LAWSON. It is not.

Commissioner WEINSTOCK. That is, it is left to the individual member to be a Socialist or not, as he chooses?

Mr. LAWSON. Absolutely.

Commissioner WEINSTOCK. But collectively they are not committed to it officially?

Mr. LAWSON. No, sir.

Commissioner WEINSTOCK. Thank you for the information.

#### TESTIMONY OF MR. EDWARD P. COSTIGAN—Continued.

Commissioner WEINSTOCK. Now, of course everybody must concede, Mr. Costigan, the right to you, if you were an employer, to recognize or deal with any group or body of men, no matter what their policies or attitude might be. On the other hand, I think you and I will have to admit that the employers have an equal right to determine for themselves their policy. And if I was an employer, for example, and differed with Mr. Costigan and did not think that it was wise or proper or expedient for me, as an employer, to deal with a group such as the I. W. W., who are avowedly contract breakers, and that to deal with them is to be a waste of time, for whatever agreement is entered into with them to-day would be broken to-morrow, and time is too precious to waste in dealing with contract breakers—I certainly would have the right ethically to take that position, would I not?

Mr. COSTIGAN. That would be my judgment, assuming that your hypothesis is correct.

Commissioner WEINSTOCK. We find, whether right or wrong, that that was the attitude of the Colorado operators. They did charge—whether it is so or not, and I am frank to confess that up to this time I do not know; we have not had sufficient evidence—but they did charge that the United Mine Workers of America were contract breakers, and that therefore they did not care to recognize or deal with contract breakers; and so long as they honestly and sincerely believed that to be true, where did they violate any ethics?

Mr. COSTIGAN. They did not honestly or sincerely believe it to be true, Mr. Weinstock. The charge was investigated before the congressional committee and was not substantiated.

Commissioner WEINSTOCK. You believe, then, that they were not sincere when they offered that as a reason for declining to recognize or deal with the United Mine Workers of America?

Mr. COSTIGAN. My answer would justly lead to that impression, I think.

Mr. WEINSTOCK. Further, in your answer you pointed out, had the coal companies of Colorado obeyed the laws of the State of Colorado they would have averted the distressing strike which occurred in that State, with or without

recognition of organized labor, and with or without conference with the people. May I ask whose duty it was to enforce the laws of the State of Colorado?

Mr. COSTIGAN. It was the duty of every citizen who had it in his power to obey and to see that those laws were not violated. It was the duty, of course, of the public officials to enforce the laws, but had the employers complied with the laws there would have been no burden of enforcing the laws placed upon the State officials.

Commissioner WEINSTOCK. Well, let us grant for the time being that the charges that the employers deliberately, intentionally, and knowingly violated the laws were true, what State officials should have enforced them?

Mr. COSTIGAN. Of course, it is customary in such cases in our jurisdiction for the district attorneys to prosecute violators of the law, by the filing of information directly in our criminal courts or with the assistance of grand juries in the bringing in of indictments. The governor of the State has certain powers in Colorado which might be invoked in the direction of law enforcement also, and other State officials might in various ways be used to the end you have indicated.

Commissioner WEINSTOCK. If these public officials were derelict in their duties, is it or is it not a fact, Mr. Costigan, that you have the recall on the statute books of Colorado, and could not the wage earners, who are greatly in the majority in Colorado, have had recourse to the recall so that these derelict officials might have been put out of office and others chosen in their places who would enforce the law?

Mr. COSTIGAN. The State of Colorado adopted the recall of State officials two years ago. The policy of the governor of Colorado took an acute form in our industrial difficulties many months later. Under the provisions of the recall amendment as adopted in Colorado it would have required a good many months to have submitted the question of the recall of the governor, for example, to a popular vote. In fact, at the time the suggested recall of the governor of Colorado was being discussed it was estimated by competent attorneys that it would be impossible to reach a popular vote upon that question with the ordinary legal obstacles interposed—the ordinary difficulties encountered, to be overcome, short of about three months before the expiration of the term of office of the governor of Colorado. Our term of office is for two years, and there were practical difficulties to be overcome in the State of Colorado which prevented the trial of that experiment. The matter was widely discussed in Colorado during these troubles.

Commissioner WEINSTOCK. Therefore the recall was not resorted to?

Mr. COSTIGAN. Not as to that particular office.

Commissioner WEINSTOCK. Do you know of any better way, Mr. Costigan, that the people of the State of Colorado could make it possible for the workers of the State to punish a derelict official than through the medium of the recall?

Mr. COSTIGAN. Personally, I am a strong believer in the system of the recall and have long publicly advocated it in my State, Mr. Weinstock. I believe, however, that the recall, the initiative, and referendum are alike far more effective in their indirect influence than in their direct.

Commissioner WEINSTOCK. Now, granting that all that you point out is just as you point it out, granting that in the judgment of the workers in Colorado the governor had not been efficient in enforcing the laws, and granting that it would have involved time and labor and expense to make use of the recall, and granting that if the recall had been successful, it would have taken away from the governor only three months of his administration, but despite all that, would that not have been the most effective way of establishing an example to other public officials and burning it into their hearts that unless they performed their duties and enforced the laws that they would be subject to the same sort of legal treatment at the hands of the voters?

Mr. COSTIGAN. From the standpoint of other officials, I think that is true, but one of the difficulties about using these great tools of democracy, as they are termed, is that the taxpayers are prone to criticize frequent elections, and the expenses connected with them, and to blame the promoters of such elections for what they are frequently inclined to term "unnecessary expense," so that you frequently will not obtain the same popular judgment undimmed by passion and side currents in such elections that you will in the ordinary popular elections.

Commissioner WEINSTOCK. Now, then, on the other hand, Mr. Costigan, if the violations of laws were so flagrant as claimed, when could the voters of



Colorado ever hope to get another combination of circumstances affecting so many people as were affected by this industrial strife in Colorado, when could they ever hope to have a better opportunity to exercise the right of the recall and show its effectiveness than they had just at that particular time?

Mr. COSTIGAN. I have been a fairly close observer for a great many years of the course of elections in Colorado, Mr. Weinstock, and I never knew a State election in Colorado in which all other elections did not seem relatively unimportant. We have had burning public issues year after year in that State, and what appears to you an extraordinary situation as indicated by your question, from the standpoint of many voters of Colorado did not appear so phenomenal. Thus it was difficult in Colorado and it is always difficult in Colorado to arouse public opinion to the actual pressing immediacy of the problems presented, whether in a local election or in an ordinary election.

Commissioner WEINSTOCK. Well, that being the case, then, of what value is the recall. Why have it on the statute books?

Mr. COSTIGAN. I believe it is valuable, Mr. Weinstock, for most of the reasons that have been assigned in the testimony before the commission. It is valuable for its possible use in the humiliation of recreant public officials; valuable when a public opinion can be aroused to exercise it intelligently; and valuable as many rights are valuable which may not themselves be exercised. I have in mind, in that connection, that the recall is simply the assertion in governmental affairs of a principle which is as old as the law of agency—that when the agent proves false to his trust the principal may set him aside and substitute a new agent in his stead. That principle, in my opinion, ought to be established in active governmental affairs as a principle, even if it does not operate in a particular election in practice, just as the right of manhood suffrage or womanhood suffrage, in my opinion, should be allowed to men and women whether they wisely or unwisely exercise the voting privilege in a particular election.

Commissioner WEINSTOCK. A point of information, Mr. Costigan: In this circular letter that was issued by the strikers under date of Denver, Colo., April 22, 1914—in the records it is headed "A Call to Arms"—did those words appear in the circular itself?

Mr. COSTIGAN. I don't know, Mr. Weinstock. I had nothing to do with its preparation, and I never saw it. In Mr. Ivy Ledbetter Lee's publication it is termed "A Call to Rebellion."

Commissioner WEINSTOCK. Yes.

Mr. COSTIGAN. Again, I should like to refer to Mr. Lawson, if you desire to know that information.

Commissioner WEINSTOCK. Yes; I should be glad to know that.

Mr. COSTIGAN. If Mr. Lawson knows.

#### TESTIMONY OF MR. JOHN R. LAWSON—Recalled.

Commissioner WEINSTOCK. I will ask you to answer that question, Mr. Lawson; how was that circular letter headed?

Mr. LAWSON. I don't recall exactly now, Mr. Weinstock, offhand, but I think we can get a copy of the original circular, which might speak for itself.

Commissioner WEINSTOCK. I think we have a copy of it in our records, though it is not convenient to look it up at the moment. It reads here, I see, "A Call to Arms."

Chairman WALSH. We have had it introduced in evidence several times. It says, "A Call to Arms."

Commissioner WEINSTOCK. That is the original heading.

Chairman WALSH. That is the original.

Commissioner LENNON. That is the original document. I have seen it, and it is headed, "A Call to Arms."

Commissioner WEINSTOCK. That is all, then. Thank you, Mr. Lawson.

Chairman WALSH. Commissioner Ballard—

Commissioner WEINSTOCK (interrupting). I meant that was all with Mr. Lawson.

#### TESTIMONY OF MR. EDWARD P. COSTIGAN—Continued.

Commissioner WEINSTOCK. For your information, Mr. Costigan, let me read from the testimony of Mr. Mitchell given before the commission on yesterday:

"Question. You made the statement, Mr. Mitchell, that while there were extenuating circumstances in connection with the Colorado situation, in con-

nection with the issue of that Call to Arms, that you nevertheless considered it wrong, and that if you had been in the strike you would not have signed the 'Call to Arms.' Will you state to this commission why you regard that 'Call to Arms' as wrong?

"Answer. Well, as I understand it, under the laws of the United States men do not have the right to make calls to arms. I may say that I am informed that the men who did make these statements did not understand that it was contrary to law. I am told that they were advised by counsel that under the Constitution of the United States the right to bear arms included the right to issue a call to arms, and I think in that respect, legally, there was a distinction which was not recognized. The right to bear arms does not legally mean a right to issue a call to men to gather arms.

"Question. In your opinion, then, they were badly advised?

"Answer. I should not say that. I should say the conditions, the state of mind in which the men were placed or the men found themselves at that time accounts, perhaps, more than anything else for their action."

Now, in how far, Mr. Costigan, are you in accord with the attitude taken by Mr. Mitchell where he says it was wrong to have issued that call, and that it was in violation of law.

Mr. COSTIGAN. The constitution of the State of Colorado, Article II, section 13, contains this language:

"The right of no person to keep and bear arms in defense of his home, person, and property, or in aid of the civil powers when they are legally summoned, shall be called in question."

I assume that it was under that provision of the constitution that the legal advice given, if it was given, as Mr. Mitchell testifies, was offered. Permit me to say I had nothing to do with counseling at that time with reference to this call or any phase of it. Permit me also to say, Mr. Weinstock, that I do not believe it to be humanly possible to say accurately what a man would do under the provocation which was given to the signers of this declaration, without being in the actual situation. And that is one of the reasons why I asked—why I took the liberty this morning of requesting this commission on behalf of the United Mine Workers of America to hear the story of these women who passed through April 20 in the tent colony, at Ludlow.

Some of the signers of this document were close friends and associates of the men, women, and children who died at Ludlow. These people had acted in co-operation through a good many months to gain ends that labor considered indispensable for the protection of the most elemental rights. And the condition which arose at Ludlow was one, as suggested by Mr. Mitchell, in which the people who lived at Ludlow affiliated with the United Mine Workers of America believed if it was not a fact, that they were being set upon and had been set upon by armed thugs rather than by representatives of the State of Colorado. I wish in this connection to read into the record two or three phrases from the military commission report prepared by Messrs. Boughton, Van Cise, and Danks, three members of the militia who first investigated from the standpoint of the State Militia of Colorado what had occurred at Ludlow. Among other things, the report contained this language:

"There is no question but that there were instances where the mine guards unnecessarily provoked the residents of the tent colonies"—

Referring now to the time preceding the 20th of April, and perhaps including the day as well—

"these latter in turn seemed honestly to believe that they and their families were in danger from the mine guards. They therefore armed themselves for protection."

On the ninth page of the same report we have this language, with reference to these mine guards in the State Militia and the strikers:

"The intensest hatred of each other in their hearts; ready to fly at each other's throats."

With reference to the particular events preceding Ludlow, we have this description:

"Practically all National Guards were enlisted about the middle of April among the superintendents and foremen, the clerical force, physicians, storekeepers, mine guards, and other residents of the coal camps. This unit of the National Guard was designated Troop A, but so recently was it recruited that at the time of the battle at Ludlow it had not yet selected its officers nor was it supplied with uniforms, arms, and ammunition. When this company was called to reenforce the uniformed guardsmen at Ludlow its members appeared



in civilian clothes and gave rise, perhaps excusably, to the belief of the strikers that they were armed mine guards, a class much hated by the colonists."

We have also on page 8 of this report—and earlier than page 8—the following language with reference particularly to the event that occurred on the day of the destruction of the tent colony at Ludlow:

"During the evening Louis Tikas and James Fyler and an unknown striker were taken prisoners. Lieut. K. E. Linderfelt swung his Springfield rifle and breaking the stock over the head of the prisoner Tikas."

These statements are incorporated in the findings. I say, made by three members of the State militia immediately after or shortly after the tragedy had occurred at Ludlow. In addition 2 women and 11 children were found smothered at Ludlow. They were, as I say, close friends of a number of the men who signed this so-termed "Call to Arms." And speaking for myself, Mr. Weinstock, under those circumstances I am not prepared to say what I should have done the day after Ludlow, had I been called on to pass on the propriety of issuing a similar call.

Commissioner WEINSTOCK. Mr. Mitchell is quite in accord with your feelings, Mr. Costigan, that there were extenuating circumstances, but he expressed it as his opinion that despite that fact he regarded the Call to Arms as wrong, and had he been in charge he would not have permitted it, in so far as it was possible to prevent it, and he would not have signed the call. Now, do you agree with him on that point?

Mr. COSTIGAN. I think Mr. Mitchell did not consider, Mr. Weinstock, the whole range of possibilities that might have affected his conduct under the circumstances, and without the slightest desire on my part to evade your question, I wish to say that I think it is entirely impossible for men acting under the provocation under which these men acted, to pass, except in a purely speculative way, upon your inquiry.

Commissioner WEINSTOCK. Well, the issuance of that call, Mr. Costigan, was either right or wrong. If it is right we ought to know it, and if it is wrong we ought to know it.

Mr. COSTIGAN. I am trying, Mr. Weinstock, to impress upon this commission the desirability of having this story told and then I should like to ask you yourself how you would have felt under the conditions which surrounded the events of that day. I do not hesitate to say that, speaking from my own standpoint, I should not have advised the issuance of this particular call had I been consulted. But what I want to impress upon the commission is that from the standpoint of labor, as conceded even by the most disinterested members of the militia, for Capt. van Cise and Capt. Danks are both in that class—from the standpoint of labor, when the Call to Arms was issued I have no doubt that there was the feeling that it was issued under the constitutional clause which I have quoted. It was issued with the idea of self-preservation, and it was issued, as its very language indicates, not with the design or purpose of taking up arms against the authority of the State of Colorado, but solely from the standpoint of protecting men, women, and children against the depredations of men who were in the State Militia of Colorado, and who should never have been allowed to be employed in that service.

Commissioner WEINSTOCK. In your statement this morning, Mr. Costigan, you pointed out—I can not recall the precise language, but I think I have the sense of it—you pointed out what you regarded as a potential menace in foundations such as the Rockefeller Foundation. Did I catch your attitude correctly?

Mr. COSTIGAN. I do not think I used the word "potential" in that connection. I spoke of our situation in Colorado as being potentially typical rather than exceptional, but I do think that I made it perfectly apparent, Mr. Weinstock, that the Rockefeller Foundation, in my judgment, is being used to obtain public favor for men who are more or less careless of their economic practices, and who are playing by the very virtue of the approbation they secure to hide the commission of economic wrongs.

Commissioner WEINSTOCK. You mean then, that it is used, as it were, to throw dust in the eyes of the public?

Mr. COSTIGAN. That would be one way of expressing the situation, I think. I suggested that the mouth of criticism had been closed by very virtue of the size of the benefactions handed out in these philanthropies. Men hesitate to criticize when large gifts are coming to them from the sources they would criticize in the absence of gifts. That is what I had in mind. For instance, I have no doubt, Mr. Weinstock, that ministers in Colorado have spoken in instances less openly on the practical aspects of human brotherhood raised by

the Colorado strike because of benefits either received or hoped for from the sources that were connected with the economic wrongs of which I have spoken.

Commissioner WEINSTOCK. So far as I can recall the testimony that was submitted to this commission in our hearings in Denver, it was testified to by members of the coal operators that the average wage of a Colorado coal miner was \$4 a day. Do you know, or have you any facts at hand that would prove the contrary?

Mr. COSTIGAN. We had a great deal of testimony upon the wage question. Mr. Weinstock, taken before the congressional committee, and any testimony along that line, of course, must first of all be subjected to scrutiny, because the occupation is admittedly more or less seasonal. Men do not work all the working days of the year. And it was felt wiser, as we considered the question at that time, and I think all parties agreed that it was juster, to estimate wages rather from the annual standard.

Commissioner WEINSTOCK. That is taking earnings rather than wages?

Mr. COSTIGAN. Yes. There should be in addition account given with reference to deduction. There are a great many deductions that come off the amounts you mentioned, but generally speaking I think the testimony overwhelmingly showed that no such average as you have indicated prevailed throughout Colorado. We had testimony in that committee hearing to the effect that the average earnings of a coal miner in northern Colorado, prior to the calling of the northern strike, had been \$350 to \$600 a year; and that after the strike the average wages had gone up from \$868 to \$918 a year. These wages, of course, being earned among the nonunion miners who were getting the advantage of the strike conditions in the northern field at that time. We found pretty generally that witnesses testified as a practical matter that their wages were less, by far, than the wages you have spoken of indicated.

Mr. Osgood, president of the Victor-American Fuel Co., directly admitted that the wages in Colorado were lower than those in Wyoming and Montana, and the same is true of the State of Washington.

Speaking on the subject, Mr. Osgood, who ought to be an authority, testified as follows [reading from p. 431 of the congressional record]:

"The day wage for timbermen in Wyoming is \$3.45 a day; in Colorado, \$3.12 a day; for track layers it is the same; for shot firers in Wyoming, \$3.90; and in Colorado, \$3.25; machine runners in Wyoming are paid \$3.90, and in Colorado, \$3.84." You can see there is no continuity. I am just giving you a few of these: Machine helpers, \$3.45 a day in Wyoming and \$3.36 in Colorado. So I can not figure the average. I can only say that their wages, as a rule, are higher for day labor than ours. This, of course, refers to day labor, and I think the testimony referred to contract labor. But the same parallel prevails.

Generally speaking, and I ought to mention in that connection, I think, Mr. Weinstock, as of course the commission knows, that in Wyoming the United Mine Workers are under contract with the operators. You have union conditions in Wyoming and nonunion conditions in Colorado.

We had a great deal of testimony in the Colorado hearing which showed wages much below the wages of which I have spoken, through deductions. A number of witnesses who testified about peonage had worked, as I remember their testimony, approximately two months under contract, and a large part of them were still in debt to the company for their original supplies.

I ought to say, however, on this general subject of wages, Mr. Weinstock, that it was not the wage feature of the complaint which was regarded by the miners as most important. The absence of checkweighmen, the failure to have the social and economic and industrial opportunities that men desire were also in my relations with the United Mine Workers of America regarded as far more important than the mere daily wages about which you have been inquiring.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. Commissioner Lennon would like to ask a few questions.

Commissioner LENNON. Mr. Costigan, there has been much testimony as to the responsibility of directors of corporations. Will you please give us your idea as to the responsibility of directors to study and know something about labor conditions in the corporations of which they are directors. I do not mean legal responsibility, but responsibility as men who are directing industry?

Mr. COSTIGAN. In my opinion, Mr. Lennon, directors should direct. That is their legal function and their moral function. If they are unable to keep



in touch with the industries that come under their direction from both standpoints they should retire.

Commissioner LENNON. Do you believe that the law should make any provision of a specific character governing that phase of the duty of directors to take cognizance of labor conditions?

Mr. COSTIGAN. I believe, Mr. Lennon, that the law should hold directors as to personal accountability for improper working conditions and for lack of knowledge of conditions reasonably open to discovery which result directly in disaster.

Commissioner LENNON. In the organizing of great corporations the individual contact which existed a long time ago had disappeared. Now, who are the responsible parties in the corporations who come as nearly as possible to that individual contact between the employer and employees?

Mr. COSTIGAN. The directors, unquestionably.

Commissioner LENNON. I want to ask you just a question regarding the matter of foundations. What limitation do you believe should be placed on foundations as to directorship, as to investment, as to services that should be limited, and as to whether or not directors of foundations should also be directors of industries in which the foundation has investments?

Mr. COSTIGAN. Directors in industries should clearly not be directors in foundations, if the analysis given this morning of the activities of the Rockefeller Foundation in Colorado is correct. There is, of course, a divided duty, and it is impossible, in my judgment, with equity for a director to sit in the morning in one capacity and in the afternoon in another and opposite capacity.

The directors ought, of course, everywhere, to permit private foundations to be independent of economic conditions with which they may be called upon to deal. The investments, I think, students of the subject are pretty well agreed, should be of a character which would eventually consume both principal and interest, without allowing too long a time for the disappearance of both. I do not know whether that covers the entire range of your question.

Commissioner LENNON. I want to cover this: We find in these foundations the declaration to this effect, that they are to promote the welfare of mankind. Do you believe that such foundations—do you believe if such foundations are permitted to exist that there should be a more precise statement of what they can do than this broad declaration? Is there not a possibility of differences of opinion as to what the welfare of mankind is, and such as makes such a declaration as the only substantial one dangerous?

Mr. COSTIGAN. There is that danger, and the divided responsibility emphasizes it. I should prefer, however, if you are going to have private foundations to see their powers enlarged, provided you can secure their independent management. Your difficulty lies more in that direction, I think, than in the other; but one of the deductions drawn in my testimony this morning was that the work planned by the foundations ought really to be a governmental task. That under modern industrial organization it is difficult, if not impossible, to get such an independent use of foundation money as will guarantee the public against the abuse of the objects, however high sounding they may be.

Commissioner LENNON. That is all, Mr. Chairman.

Chairman WALSH. Commissioner Ballard would like to ask a few questions.

Commissioner BALLARD. Mr. Costigan, you have suggested, in answer to one of the questions just asked you, that a man who sits on one board in the morning and on another board in the afternoon might be influenced in his attitude in the one case by his attitude in the other. This morning you presented your arraignment of the Colorado coal companies in an exhaustive manner, and I thought that perhaps in your arraignment of the coal companies you might be influenced by the fact that you are retained by the United Mine Workers of America and had not given the coal companies quite full justice in their efforts to handle their men properly and give the men fair and good working conditions.

Mr. COSTIGAN. The question is, I think, entirely proper, and, as your very question suggests, my opinions ought to be criticized by this commission from the standpoint of my views as a citizen and as an attorney. I do not attempt to pass upon the justice of my own deductions, except in so far as they speak for themselves. Permit me, however, to say this: That I believe your investigation will disclose the fact that the views I hold are not new, but were held by me long ago, long before I was in any sense invited to represent the United Mine Workers of America, and that, without question, that is one of the reasons why I appear here to-day in that capacity.

Commissioner BALLARD. That is all, Mr. Chairman.

Chairman WALSH. Mrs. Harriman would like to ask some questions.

Commissioner HARRIMAN. Mr. Costigan, I received the following letter, which I would like to read to you. It came this morning, and I would like to ask for your opinion on certain subjects mentioned here. The letter is as follows:

"MY DEAR MRS. HARRIMAN: AS you are the only member of the Industrial Relations Commission whom I have the pleasure of knowing, I am taking the liberty of addressing this letter to you.

"The newspaper reports of the testimony of Mr. John R. Lawson before your commission are so at variance with the actual conditions existing in our coal camp at Oakview, Colo., that I feel, in justice to the coal industry of the State of Colorado, that some of the facts as I know them should be presented to you.

"I have been interested in the coal industry of Colorado for the past 12 years and have always taken an active interest in our camp, not only by a continuous correspondence with our officials but by regular visits to the mines of our companies. During the continuance of the late coal strike I visited our property at Oakview four or five times, so that I have a thorough personal knowledge of the conditions that existed there.

"We had knowledge of the strike there more than two months prior to the date on which it was called, and a number of our employees left after informing us that a strike was imminent, saying that they did not wish to be identified with the strike and wished to remain in good standing with our companies, so that they might retain their situations after the strike was ended. This to me indicated that they were not dissatisfied with the conditions that existed in our camp and that their life there was not a burdensome one.

"Our camp at Oakview was one of the first to be attacked. With absolutely no warning or indication of trouble, on the morning of September 29, 1913, six days after the strike had been called, our camp was fired upon by several bodies of strikers and the lives of the women and children of the camp put in imminent danger.

"You have no doubt heard of the murder trials now taking place at Pueblo, Colo., which are of some of the strikers who deliberately ambushed and killed four of our men and guards.

"There are many other incidents and particulars that I could give you of the conduct of the strike on the part of the miners, and a number of other particulars of the conditions existing at our camp, and the methods we use in running it, but to do this in a letter would take too much space. The testimony that has been given before your commission has had nothing whatever to do with the conditions of the camps and the social life of the miners, except that given by Mr. Lawson, as Mr. Rockefeller's testimony was very general and did not go into details, and it seems to me, to get at the true facts of the situation, the conditions existing at more than one company's camp should be gone into by your commission.

"I would be very glad if you could appoint some time and place where I could talk the matter over with you.

"Trusting that you will be able to arrange an interview before your commission ends its sittings in this city, I beg to remain,

"Sincerely, yours,

"HOWARD WILLETS,

"Chairman Executive Committee of the Oakdale Coal Co., 40 Wall Street.

Mr. COSTIGAN. Do you wish me to comment on that letter, Mrs. Harriman?

Commissioner HARRIMAN. Yes; if you please.

Mr. COSTIGAN. I do not suppose it is necessary to state, but I perhaps should say that violence in every form has been abhorrent to the attorneys who have been associated with me in these various hearings, bearing upon the Colorado situation, and we feel this particularly because violence tends to unsettle the public judgment, so that the remedies which should be applied for social disorders are often postponed.

Personally I have no doubt that has been the effect of violence in the State of Colorado recently, yet we have had occasion a number of times to point out in Colorado that the first acts of violence in that State in connection with the strike there were not on the part of the strikers. The first man shot in the Colorado difficulties, I understand, was a man by the name of Lippiat, a union organizer. He was shot just before the strike was called by a Baldwin-Felts detective on the streets of Trinidad. The very unfortunate shooting at La Veta, Colo., for which trials are now being held in Colorado, was preceded by another



unfortunate shooting in the city of Walsenberg, on a public street, where several union men were shot without any known cause; and in the same way there have been acts of violence playing back and forth. I think it is fair to say that almost all of the preliminary acts of violence were not on the side of the strikers.

With reference to Mr. Lawson's testimony, I think it should be said that he gave no testimony, so far as I am aware, about conditions at Oak Creek. I do not believe that is one of the coal properties of the Colorado Fuel & Iron Co., and I think he was directing his testimony primarily to the Colorado Fuel & Iron Co.'s properties, and more particularly to the closed camps outside of his general experience throughout Colorado.

I may say, too, that if I am not mistaken during the long hearing in Colorado by the congressional committee no testimony of any consequence was offered with reference to the conditions at Oak Creek. I do not believe any testimony was offered as to those early violations as to which this letter refers.

Conditions in northern Colorado, it should be added, Mrs. Harriman, have always been better than those in southern Colorado. Oak Creek is among the northern properties. The northern strike was called in 1910 primarily as a strike for wages. The strike of 1913 was in the southern field, and it ought to be said that the conditions in northern Colorado have never had the severe features prevalent in the southern part of the State, so that I should not say offhand that an investigation of those properties will not disclose a slightly better condition than that about which Mr. Lawson testified. And, of course, the United Mine Workers of America have no objection in the world to having the facts at Oak Creek or in any other part of Colorado thoroughly investigated by this commission.

Commissioner HARRIMAN. This was Oakdale Co. Would that be at Oak Creek?

Mr. COSTIGAN. I thought you were referring to a property in Routt County, Mrs. Harriman. Mr. Lawson has just advised me that the property you refer to is in Huerfano County, and it is then in the southern part of the State, and I think that is a subject that Mr. Lawson would be the best witness upon. But my general remarks, I think, hold in relation to the testimony not having been offered in reference to that property.

Chairman WALSH. Commissioner O'Connell would like to ask you a few questions, please.

Commissioner O'CONNELL. Have you there the late issue of "Facts in Connection with the Struggle in Colorado," in which there was an explanatory statement sent out recently in relation to the salaries of Messrs. Hayes, McLennan, and Mother Jones?

Mr. COSTIGAN. I have it among my papers somewhere. Mr. O'Connell, and I am familiar with the publication. I referred to it this morning.

Commissioner O'CONNELL. When was that issued?

Mr. COSTIGAN. Issued in January of this year, I believe.

Commissioner O'CONNELL. Have you the original issue in which the salary and expenses of these three parties were quoted on page 67?

Mr. COSTIGAN. I have.

Commissioner O'CONNELL. I want to read into the record the original and then the explanation. On page 67 it reads:

"The committee in charge of the campaign in Colorado consisted of Frank J. Hayes, John McLennan, and John R. Lawson. The report of the secretary-treasurer of the general organization covering the period ending November 30, 1913, shows that out of the daily wages of the miners of the country there had been collected money to pay, among other things, salaries and expenses as follows:

"Frank J. Hayes, nine weeks' salary, \$4,052.92; Frank J. Hayes, nine weeks' expenses, \$1,667.20; total for salary and expenses, \$5,720.12. Frank J. Hayes was thus paid over \$90 a day, or at the rate of over \$32,000 a year.

"For this same period of nine weeks John McLennan received for salary \$2,683.55; for expenses, \$1,469.55—\$66 a day.

"John R. Lawson received for nine weeks' salary, \$1,773.40.

"Mother Jones, whose sole duty was to agitate, received \$2,668.62 as salary for the same period—\$42 a day."

When our commission was in Colorado and the president of the Colorado Fuel & Iron Co. was on the stand, I called his attention to these figures, and I had before me the annual report of the general secretary-treasurer of the United Mine Workers of America, from which report these figures were taken. The report, however, was taken for a full year's salary and expenses for each of

these persons, which is here credited as nine weeks. And we asked if it was discovered if these figures were wrong and an injustice had been done these three persons, or four, as the case would be, what they would do in order to rectify the wrong.

The January Bulletin No. 4, series 2, issued January 2, 1915, "The Struggle in Colorado for Industrial Freedom," was issued signed by Mr. J. F. Welborn, president of the Colorado Fuel & Iron Co., and this item appeared:

"We are now authoritatively advised that the figures referred to covered a period of an entire year instead of only nine weeks, as stated in the bulletin; but we are also advised that a correct statement of the case would have been"—and then he gives the names and the correct figures, and so on. What I want to ask is in comparing the statement made in the original bulletin issued, have you in mind what the purpose in quoting these salaries at all, or these expenses at all? What was the purpose behind the issuance of that?

Mr. COSTIGAN. Presumably the object was to discredit the calling of the strike and the continuance of the strike, and to discredit the alleged grounds for it by suggesting that the officers of the United Mine Workers were large beneficiaries of organized labor. The purpose was to suggest, I suppose, that they profited largely both in ordinary times and probably more largely in unusual times. The suggestion is, of course, that they have been guided in their activities solely by financial considerations. In fact, it has been quite common throughout the West to suggest that this strike never would have been called or prosecuted but for what are termed foreign agitators; and by "foreign agitators" are meant these very men, high officials in the United Mine Workers, of whom Prof. Seligman spoke with such great praise in the article to which I referred this morning. People are prone, of course, to discredit those who for a financial consideration appear to be advancing certain opinions, and, as I suggested this morning, the Rockefeller Foundation, in so far as Mr. Ivy Ledbetter Lee represented it, loaned itself in a critical hour of industrial struggle to the dissemination of this gross misinformation, not only in Colorado, but throughout the country. The object was to create public opinion favorable to the operators, and without question that object was successful in a large measure. It is doubtful whether this correction will ever reach thousands of people who received the original information. And it must be remembered in that connection that the use made of these bulletins was in a political controversy in the State of Colorado which determined what the character of the government of the State of Colorado was to be for the next two years.

Commissioner O'CONNELL. I have in mind to ask whether you considered this explanation—you might say an apology—of the error committed or offense; that that would receive anything like as wide a circulation as the papers that had copied the original figures and used them when the heat of the affair was at its height in Colorado, this being issued after the strike had been declared off, and little or no attention having been paid to it in a public way—in view of that and that the damage and injustice done these men and women by holding them up as accepting or taking money; the inference I get from it is that they took money, large sums of money, beyond all reason, as salary and expenses, that did not belong to them—and thus, with a view to poisoning the minds of their members and associates against them—

Mr. COSTIGAN (interrupting). And the public.

Commissioner O'CONNELL (continuing). And the public, that that was done by not ignorant men, not uneducated men, not unbusinesslike men, but men who were educated and in public life and in everyday business life, and was done with forethought of what the purpose was—comparing that action with the action of men in the heat of battle, with women and children dying as the result of the battle in which they were engaged, issuing a circular headed "A Call to Arms," in the stress that they were laboring under—is there, for instance, any greater fault on the part of the men issuing the Call to Arms than there was on the part of the men issuing this deliberate statement of an untruth for the purpose of absolutely blackening the character of men who were leaders in that strike?

Mr. COSTIGAN. I don't care to pass on the last question, Mr. O'Connell, but manifestly this is neither an adequate apology nor can it remedy the wrong done. The publication came too late—as suggested by you; it came after the strike was ended, after the opportunity was given the voters of the State of Colorado to meet the serious political and industrial questions that confronted them.



Chairman WALSH. Commissioner Garretson, I think, has some questions he would like to ask you.

Commissioner GARRETSON. Mr. Costigan, in regard to the letter that was just read from the Oakdale Coal Mining Co. to the effect that they had not had a look-in on the investigation, is it not a fact that the Oakdale Coal Mining Co., through their president, signed the letter of May 4, addressed to the President of the United States, in which they completely and thoroughly upheld the attitude of the officers of the Colorado Fuel & Iron Co. in all the measures they had taken?

Mr. COSTIGAN. I assume it is, because of your inquiry, Mr. Garretson. I have not seen recently that signature.

Commissioner GARRETSON. If you will turn to the Bulletin No. 1 of June 22, you might be able to determine whether or not that is the Oakdale Coal Co. You will find it on page 19.

Mr. COSTIGAN. Page 21 here.

Commissioner GARRETSON. The signatures are on page 21; yes.

Mr. COSTIGAN. I find the signature on page 21, as suggested.

Commissioner GARRETSON. That letter embodied the language, did it not, as follows:

"Our position with respect to the United Mine Workers of America is absolutely independent of that which has been or hereafter may be taken either by the Colorado Fuel & Iron Co. or by its officers or directors or by Mr. Rockefeller or John D. Rockefeller, jr., although we heartily indorse the position they are now taking."

You will find that on page 18.

Mr. COSTIGAN. That is true. It is printed in heavy black type on that page.

Commissioner GARRETSON. Moreover, did not that letter declare that they were, all the signers, conducting their business and had conducted it in a purely legal manner? In other words, in conformance with the laws of Colorado?

Mr. COSTIGAN. That is the substance of it.

Commissioner GARRETSON. Before the congressional committee—you were asked a moment ago in regard to wages that obtained in Colorado mines—and before that committee it was stated an average of \$4 a day was mentioned as obtaining. Is it not a fact that the miners presented for another series of those coal companies that were represented under those signatures which showed a general average not to exceed \$2.10?

Mr. COSTIGAN. There was testimony to that effect, Mr. Garretson.

Commissioner GARRETSON. Was it ever disproved any more than the other was disproved?

Mr. COSTIGAN. It was not.

Commissioner GARRETSON. What was the attitude of the people in general toward the investigation of the State militia made by a committee of three militia officers, headed by Maj. Boughton. Did the people of Colorado regard that as conclusive, fair, and determinative, or did they not?

Mr. COSTIGAN. They did not, although, as I said before, Capt. van Cise and Capt. Danks were and are two of our best citizens.

Commissioner GARRETSON. Have those two officers ever testified that the chairman of that commission, a higher official than themselves in military rank, used his seniority as an officer to circumscribe both their liberties of investigation and expression?

Mr. COSTIGAN. They have privately so stated, and it may be that they have publicly stated it to this commission.

Commissioner GARRETSON. As a general proposition, would an investigation made of an industrial situation dominated wholly by either the employing interests or the employee interest be received by the public generally as conclusive or determinative?

Mr. COSTIGAN. Manifestly not.

Commissioner GARRETSON. In the matter of interlocking directors in the vast charitable institutions and vast industrial corporations, it has been put before this commission that the affiliation with one or the other would in no sense cloud the judgment of the other. We will take the declared purpose of one of the foundations which is for the betterment of humanity. If a director in an industrial corporation who put in five and a half days in the week in the pursuit of dividends, putting on all that the traffic would bear, as a sound definition or interpretation of benefiting humanity do you believe he could be entirely impartial on a half day in the week when he sat as a director of the philanthropic institution?

Mr. COSTIGAN. As I answered when interrogated before, I do not.  
 Commissioner GARRETSON. That is all, Mr. Chairman.  
 Chairman WALSH. Thank you, Mr. Costigan. That will be all.  
 Mr. Greene, please.

TESTIMONY OF MR. JEROME D. GREENE.

Chairman WALSH. State your name, please.

Mr. GREENE. Jerome D. Greene.

Chairman WALSH. And where do you reside?

Mr. GREENE. 116 East Sixty-third Street, New York City.

Chairman WALSH. What is your business?

Mr. GREENE. I am secretary of the Rockefeller Foundation.

Chairman WALSH. We had prepared here, Mr. Greene, some questions which are in leading form and which undertake to epitomize much that is to be inquired about, and I will read them to you, of course, so that you may correct any of them that you see fit to—

Mr. GREENE (interrupting). Mr. Chairman, may I ask whether I may also have an opportunity to make a statement which I think will bear very closely on the points that have been brought out as to the relation of Mr. Rockefeller to his boards and as to the policies of the boards either before or after this question?

Chairman WALSH. Yes; and you may select your own time or place, if you think best to read that at the inception, which has been done by a great many witnesses, you may feel at perfect liberty to do so, or if you care to wait until the end of it, you may do that, or you may pick out such time as you wish.

Mr. GREENE. It is not that I intend to read the whole statement, but there are certain points that I wish to bring out.

Chairman WALSH. Very good. You may proceed in your own way.

Mr. GREENE. Mr. Rockefeller was asked by one of the questionnaires recently submitted for a graphic exhibition of the so-called interlocking directorates of the Rockefeller boards. I have had such a chart prepared, Mr. Chairman, and have copies here for the members of the commission.

(Copies are here distributed to the members of the commission.)

I should like to read the names of the personnel of all these boards in alphabetical order. It is as follows:

Edwin A. Alderman, president of the University of Virginia.

Hermann M. Biggs, commissioner of health, State of New York.

Wallace Buttrick, secretary, General Education Board.

Andrew Carnegie.

P. P. Claxton, United States Commissioner of Education.

Charles W. Eliot, president emeritus, Harvard University.

Hollis B. Frissell, principal, Hampton Institute.

Abraham Flexner, assistant secretary, General Education Board; associate, bureau of social hygiene.

Simon Flexner, director of laboratories, the Rockefeller Institute for Medical Research.

Frederick T. Gates, formerly a member of the personal staff of John D. Rockefeller; chairman, board of trustees, the Rockefeller Institute, General Education Board, and the Rockefeller Sanitary Commission for the Eradication of Hookworm Disease.

Frank J. Goodnow, president, Johns Hopkins University.

William C. Gorgas, Surgeon General, United States Army.

Jerome D. Greene, secretary, the Rockefeller Foundation.

A. Barton Hepburn, chairman of the board of directors, Chase National Bank; formerly president, New York Chamber of Commerce.

Charles O. Heydt, secretary to John D. Rockefeller, jr.

L. Emmett Holt, professor of pediatrics, College of Physicians and Surgeons, New York City.

David F. Houston, Secretary of Agriculture.

Theodore C. Janeway, professor of medicine, Johns Hopkins University.

J. V. Joyner, superintendent of education, State of North Carolina.

Harry Pratt Judson, president, University of Chicago.

Edgar L. Marston, member of the firm of Blair & Co., New York City.

John R. Mott, associate general secretary, International Young Men's Christian Association.

Starr J. Murphy, member of the personal staff of John D. Rockefeller.



Walter H. Page, American ambassador at London.

Francis W. Peabody, Peter Bent Brigham Hospital, Boston, Mass.

T. Mitchell Prudden, formerly professor of pathology, College of Physicians and Surgeons, New York City.

John D. Rockefeller.

John D. Rockefeller, jr., president, the Rockefeller Foundation; chairman, International Health Commission.

Wickliffe Rose, director general, International Health Commission; formerly executive secretary, Rockefeller Sanitary Commission for the Eradication of Hookworm Disease.

Albert Shaw, editor, Review of Reviews.

Theobald Smith, director, department of animal pathology, the Rockefeller Institute for Medical Research; formerly professor of comparative pathology, Harvard University.

Charles W. Stiles, United States Public Health Service; formerly scientific secretary, Rockefeller Sanitary Commission for the Eradication of Hookworm Disease.

Anson Phelps Stokes, secretary, Yale University.

George E. Vincent, president, University of Minnesota.

William H. Welsh, professor of pathology, Johns Hopkins University.

If you will permit me, Mr. Chairman, I should like to state very briefly the way in which these boards have been constituted.

For a great many years, Mr. John D. Rockefeller, through his office associates, carried on philanthropic work along lines similar to those indicated by the titles of these boards of which I will read the titles of: The Rockefeller Foundation, the International Health Commission, the China Medical Board, the Rockefeller Sanitary Commission, the General Education Board, the Rockefeller Institute for Medical Research, and the Board of Scientific Directors of the Rockefeller Institute. As time went on, he thought it would be advantageous to make more permanently available for the benefit of the public the experience of his office, which, I may say as a newcomer into it, had won well-nigh universal approbation for the general principles which were represented in his giving.

I shall have something to say about those principles a little later, with your permission.

Determining, then, to alienate perpetually from himself and put into the power and protection and control of the State separate organizations and funds for carrying on these lines of work, he put into those boards, in the first place, the group of men to whom chiefly in constant collaboration with him was due the credit for such wisdom as there may have been in what had been known as the Rockefeller method of giving. In the executive committees of these boards you will find repeated the names of three or four of those men in each one.

Some questions have been asked as if it were necessary to discover by ingenious inquiry a fact which is patent, namely, the very striking influence exerted on these boards by the group of men who have been associated with Mr. Rockefeller. In other words, Mr. Rockefeller, in giving for all time to the people of this country a large part of his fortune, wished that the initial impulse to the work made possible by his gifts should be given by the men who had determined in general their character in the preceding years. And while forfeiting all his control for the future and very definitely limiting his control for the present, Mr. Rockefeller, by that process, made more largely available to the public funds which had previously been exclusively under his domination and control.

Now, one of the next steps to be taken in the organization of these boards was the addition to this nucleus of men frankly representing the experience of Mr. Rockefeller's office other men holding positions of trust and prominence in the country who had and have the confidence of the American people. I have read you their names, and no question or insinuation which may have been heard here will for one moment check the confidence of the American people in the character of those men as men would not for a moment be a party to benevolences which were secondary to the consideration of promoting the pecuniary welfare of the donor. The question hardly needs to be stated it is so patently absurd.

Now, reference has been made to the interlocking of the directorates with each other. The word "interlocking" has been given a bad name for a perfectly obvious reason. When a man is a director of one company and in such a capacity

sells goods to another company in which he is a director he may use the influence which he thus has for his own individual profit. Is there anything analogous to that in the action of a man who at one moment is giving a part of his time to the public service on the education board and at another moment as a member of a sanitary commission? Certainly the analogy has absolutely no bearing in the matter, and the only drawback, the only objection to such interlocking is one which President Eliot stated, the limitation of the time and health and strength of the men.

There may be, it is true, a question of interlocking as between members of Mr. Rockefeller's boards and the boards of institutions that are aided by Mr. Rockefeller. And as to that I will say, although there is no rule or law on the subject, that the unwritten rule of his office has been that the members representing him on these boards do not accept trusteeship and directorship in other philanthropic institutions.

When, to speak personally, I came to into Mr. Rockefeller's office and became a member of the General Education Board I resigned from the board of overseers of Harvard University and from the board of trustees of a local school for girls and from an academy for boys. That is the unwritten rule, designed with just that intention, of enabling the members of Mr. Rockefeller's board to maintain as independent a position as possible. I went into Mr. Rockefeller's office, Mr. Chairman, in 1912 from the position of general manager of the Rockefeller Institute for Medical Research, in which I was a salaried employee and not at that time a director or trustee.

Shortly after the establishment of the Rockefeller Foundation we earnestly considered what its policy should be, what limitations, if any, should be set up on the choice of future trustees, because, Mr. Chairman, I can not impress upon you too strongly the fact that if you and the public feel concerned as to the future control of these boards you can not possibly feel a greater degree of anxious interest and solicitude than we who are the trustees of these boards feel ourselves. And if there is any subject to which we have given earnest consideration it is exactly that subject. At the first meeting at which we had time to consider at length our policy I took the liberty of presenting, on my own responsibility and without previous consultation with my associates, a memorandum in which I formulated certain general principles and policies of giving which seemed to me as an observer coming in from the outside characteristic of Mr. Rockefeller's office and of the boards established by him. While the foundation did not adopt this memorandum as an official expression of its views, nevertheless the memorandum was favorably received as a fairly adequate expression of principles that had been observed.

These principles were stated as follows:

"1. Individual charity and relief are excluded, except as the indirect result of aid given to other institutions well organized for such purposes."

And that the Rockefeller Foundation is obviously not well organized for answering such requests for gifts and loans is very evident.

"2. Applications for the aid of institutions or enterprises that are purely local are excluded, except as aid may be given to these establishments as models to other localities and as part of a general plan for the encouragement or improvement of similar institutions. Such a general plan is that in accordance with which the General Education Board has aided colleges and universities in all parts of the country in order to promote higher education generally.

"3. It may be said that when an individual or an institution goes into a community with the intention of making a contribution to its welfare no gift of money, however large, and no outside agency, however wise or good, can render a service of unequalled good and permanent value except so far as the gift or the agency offers the means or the occasion for evoking from the community its own recognition of the need to be met, its own will to meet that need, and its own resources, both material and spiritual, wherewith to meet it. Illustrations of this policy are to be found in the work of the General Education Board and the Rockefeller Sanitary Commission for the Eradication of the Hookworm Disease. Financial aid given by the General Education Board to colleges and universities has been conditioned upon larger aid being furnished by the friends of those institutions. The farm-demonstration work of the board has succeeded because the money contributed was used solely for the purposes of demonstration, and even the cost of running the demonstration farms was met by the labor and farm equipment of private owners. The sanitary commission has operated exclusively through State and local authorities, with the aid of State, county, or town appropriations. The work accomplished has been initi-



atory and educational, in no sense leaving the communities served in a state of continuing dependence on outside philanthropy."

I would have you believe, Mr. Chairman and members of the commission, that nobody can exceed Mr. John D. Rockefeller in the desire to avoid paternalism in giving. If he has made any contribution to the art of giving, it has been that particular thing, and it is so recognized in this country.

"4. In general it is unwise for an institution like the Rockefeller Foundation to assume permanently or indefinitely a share of the current expenses of an endowed institution which it does not avowedly control."

I mean by "avowedly control" runs itself openly, just as the Rockefeller Foundation runs the International Health Commission.

"Such a continuing relation inevitably carries with it a continuing responsibility for the conduct of the institution that is added. The relation should therefore not be entered into unless with the deliberate intention of assuming such responsibility; for an endowed institution a gift outright for endowment, buildings or equipment or some other specified purpose, without any condition to hamper the future administration and policy of the institution aided, is the best kind of a gift from the standpoint both of the giver and the receiver. Antecedent conditions, such, for example, as that the institution shall be free from debt, that its accounting methods shall be in accordance with approved standards, and that evidence shall be given of sufficient moral and financial support from its own constituency, may—and, indeed, must—be imposed. A continuing contribution for current expenses and the implied continuing approval or responsibility for management tend to make the receiver subservient to the giver, thus detracting from the receiver's independence and self-respect, and, consequently, from his efficiency."

That, if anything, Mr. Chairman, is the policy of giving in Mr. Rockefeller's office.

"5. On the other hand, the Rockefeller Foundation must carefully"—

Chairman WALSH (interrupting). Will you read that last paragraph again?

Mr. GREENE. "A continuing contribution for current expenses and the implied continuing approval or responsibility for management tend to make the receiver subservient to the giver, thus detracting from the receiver's independence and self respect, and, consequently, from his efficiency."

"5. On the other hand, the Rockefeller Foundation must carefully avoid the dangers incident to gifts in perpetuity. Having the qualities of permanence and universality it is better able than any private individual to adapt its gifts from generation to generation"—and by permanence, I mean, that it is a corporation, not an individual; and by universality I mean that it is for the betterment of mankind; it is not limited to education or public health—"it is better able than any private individual to adapt its gifts from generation to generation to the most urgent needs of the time. It should therefore be careful not to hamper its own trustees nor the trustees of other institutions by gifts in perpetuity narrowly limited to particular uses."

Reference was made this morning to the obsolescence of certain philanthropic purposes. The Rockefeller Foundation was chartered with that danger specifically in mind.

"These considerations may often lead the Rockefeller Foundation to make its gifts from year to year, or for periods of 5, 10, or 15 years. This will usually be the case when the object of the gift is that of initiating or demonstrating some improvement especially along lines of education or public health. Gifts for endowment will therefore probably be rare and they will be strictly limited to institutions which, like well-established colleges or universities, are destined to be permanently maintained by the endowment method as distinguished from the method of support by public taxation.

"6. As between objects which are of an immediately remedial or alleviatory nature, such as asylums for the orphan, blind, or crippled, and those which go to the root of individual or social ill-being and misery, the latter objects are preferred—not because the former are unworthy, but because the latter are more far-reaching in their effects. Moreover, there are many charitably disposed persons to whom remedial and alleviatory agencies make the more effective appeal.

"7. As a general rule it is not expedient to entertain applications for the aid of projects, however meritorious, that have not been carefully thought out by their promoters, so that the purposes to be accomplished, the form or organization to be employed, the persons prepared to assume the permanent responsibility for the project, the precise program to be followed and the amount of

financial support already secured, may be stated with precision as to the basis of the application. It may often happen that good but half-formed schemes are suggested, requiring only a vigorous initiative to bring them to maturity. The promoters of a scheme lay it before some philanthropic agency, expecting that if the suggestion is thought promising the initiative, the subsequent responsibility, and the necessary organizing efficiency will be supplied by the agency in question, the promoters either retiring or remaining as partners in the undertaking. Favorable action on such applications must be limited to those rare exceptions in which the philanthropic agency sees in the plan thus imperfectly presented a suggestion that it can adopt, and for the development of which it is willing to be responsible. But the limitations of time, energy and intelligence in even the best organization would not be equal to the demands made upon it if it assumed the burden of studying and maturing every vague though promising suggestion made to it."

In the same memorandum, Mr. Chairman, I said, "No great philanthropic trust can permanently endure as a paternal institution far ahead of the people in wisdom and foresight. Its wisdom and foresight must in some true sense, like the political government, express the will and intelligence of the people. Its wisdom and foresight must at least be susceptible of recognition by the people in order that they may follow willingly and effectively where it leads. In short, the policy of the trust must, in the long run, be democratic. To accomplish this result a plan should be devised whereby the accountability of the Rockefeller Foundation to the people of the United States should be clearly expressed through periodic reports."

Again: "The early demonstration that the foundation was seeking the best possible way of keeping alive its sense of responsibility to the people and of keeping in touch with the varied and changing needs of the country, would have a moral effect on the public that would greatly strengthen the foundation's position and enlarge its influence."

The policy of the Rockefeller Foundation and its advisers is very well expressed in regard to another matter which has been brought before this commission. It is stated in another document to which brief reference has been made in the answers to the questionnaires.

Evidently one investigation of industrial relations, or any investigation, looms up in the minds of many as implying an inquiry into disputed facts and the bringing in of a definite adjudication and an appraisal. That is very far from the spirit in which the Rockefeller Foundation has entered into the question of industrial relations. The object is to supply, if possible, with a certain scientific detachment the facts not as related to any one dispute but facts which are characteristic of the industrial situation generally in many places with a view to providing the fundamental social and economic facts on which others who will determine public opinion will make up their mind.

The committee of economists which was invited by the Rockefeller Foundation to advise it in regard to the establishment of some sort of permanent organization made report in which this paragraph occurs:

"After full discussion the committee was unanimous in holding that such a proposed institute of economic research should not at the outset attempt work directly educational in character. Although it is recognized that there is great need of popular education in economics, it is inadvisable that such work of propaganda be undertaken as the first or main task of an institution for scientific research. Proper means of publicity should be sought for the publication of the results of its investigations; but any systematic effort at influencing public opinion might, if at all, be better attempted by a separate organization. Quite apart from the existing disagreement of scholars even as to many fundamentals in economics which without careful preliminary studies would make dogmatic teaching of doubtful utility, it is essential for the permanent standing of an institute of economic research that it should early establish its reputation as scientific, impartial, and unprejudiced in its finding and presenting of the facts as to economic and social conditions."

To illustrate what I said about paternalism I think I could hardly do better, Mr. Chairman, than to give one graphic example—

Chairman WALSH. Just a moment with the question, Mr. Greene. Is the full report of that committee of economists available?

Mr. GREENE. I should have to read it to see whether the recommendations of the report were not adopted.

Chairman WALSH. Please bear that in mind. Proceed with what you were going to say when I interrupted you. Mr. Garretson asked in regard to that.



Mr. GREENE. I think the disposition of that report was referred to in the answers to the questionnaires. I want to give an example of the kind of work which I think can be called characteristic and to have it judged by the considerations which those have had in mind who have thought of the menace of such foundations and of the danger of putting the public into a state of subserviency.

You are all familiar in a general way with the purpose of the Rockefeller Sanitary Commission for the Eradication of the Hookworm Disease. Let me mention just one example. When that commission was being undertaken a traveling dispensary had been organized by the local health authorities with the aid of our sanitary commission. It came, in the course of its travels through the country, to a small village in a Virginia mountain county. In that village, living upon an impoverished farm, barely able to keep soul and body together, was a family of nine, living in a one-room shanty—father and mother and seven children—every one of them afflicted with the hookworm disease, illiterate, and barely able to keep soul and body together. They were examined and found to be infected. They were given the extremely simple treatment for the hookworm disease, which usually cures permanently if the conditions are permanently improved—the sanitary conditions—and the dispensary passed on.

Two years later on revisiting that farm one would find a two-story frame house built by the father and elder sons, the younger children in school, the farm productive, at a total expenditure of about \$1.10 per capita on the part of Mr. Rockefeller's sanitary commission.

Now, think of the economic enrichment of the country by work of that kind. Who can say that the application of Mr. Rockefeller's effort by that act—and I am not sure that those people even knew of Mr. Rockefeller, because they were dealing with the public-health authorities, through whose invitation alone our commission has done its work—who can measure the economic results of work of that type?

Farm-demonstration work, which the General Education Board promoted in the South, and which it conducted at an expense of three or four hundred thousand dollars—I have forgotten the exact figures—in a few years made possible an increase in the productiveness of corn and cotton per acre to such an extent that if carried to the entire arable land of the South by methods of cultivation and demonstration already known would make an increased annual yield, I am told, in cotton alone of \$240,000,000 per annum.

Now, how in the world is service of that kind going to be called a corrupting or pauperizing service where the man's own labor with the information supplied produces for him an overwhelming share of the final result?

A statement has been made which seems to me so strange and almost grotesque that I wonder if it was not made with some humorous intent but partly concealed. It was that in the development of such foundations as this public criticism would be stifled. Can anyone say, in this presence and with knowledge of this hearing and of the public agitation which is going on at all times through the press, that the American people can not through publicity and public discussion criticize freely the gifts of anybody? I could hardly believe that anyone could take such a low or timid view of the strength of the American democracy as to think that it could not protect itself by free discussion from any insidious influence growing out of such foundations as this.

Mr. Chairman, there is one other point, if you will allow me, with reference to the appointment of Mr. King. The trustees of the Rockefeller Foundation have been held very rigidly accountable for the condition of affairs existing in an industry in which they had a bond investment. I should not be one to deny the responsibility attaching even to a bond investment, although one must differentiate between that and the responsibility attaching to a stock investment, but supposing that any of us found ourselves put in the position of trustee for large funds of money which had to be invested in stocks and bonds, and conscientiously sought to discharge the responsibility, not only by carrying out the terms of our trust, but by meeting such obligations as attached to our ownership of securities. Supposing we tried to execute that trust properly, could we do more than to look through the country for the man who seemed to us on the whole the best adviser on the general subject of industrial relations, and to identify him with our organization, not with reference to the adjudication of any particular dispute, but to guide us permanently in the discharge of our responsibility?

I think perhaps I wrote the first letter to Mr. King with reference to his coming into our employ, and I remember saying to him in that letter that it might turn out that in the proper discharge of our responsibility as the holders of investments we could perhaps do a greater service to our country than by so-called philanthropic work.

Now, gentlemen, we can not be held accountable at the same time both for taking no interest whatever in that aspect of our duties and at the same time for having taken the most intelligent and promising steps we could to inform ourselves as to those responsibilities, and I do not think that anyone can seriously maintain—anyone who knows Mr. King—that trustees or directors who exposed themselves to his influence were on that account going to be less humane, less considerate of the rights of workmen, than if, as some one has said, they were going to devote their time exclusively to promoting their business to the extent "that the traffic would bear."

We do not claim to have done anything especially laudable or creditable, but it is a step, and we think a promising step in the right direction.

We do not claim for any particular plan that has been put forward that it is a final plan, that it has met all of the objections—it is perfectly clear that it has not met all of the objections—but as to whether our attitude has been one of unyielding self-satisfaction and complacency with present conditions, or an attitude of open-mindedness and desire to do our full duty in the matter, it seems to me, Mr. Chairman, that on the whole the public will make a fair and reasonable judgment.

I should be very happy to answer your questions, Mr. Chairman.

Chairman WALSH. As I told you, I am going to ask you these questions in leading form, and will ask you to be very free to correct any question and also any inference that might not be drawn fairly from the questions, because I have had them prepared by others, of course.

The funds of the foundation amount to approximately \$104,000,000?

Mr. GREENE. Yes, sir; that is true; but it requires this qualification, that certain sums pledged—appropriated and which are now liabilities of ours—are still in our treasury because the time for payment, in accordance with the terms of the pledges, has not yet arrived, and we practically hold and are, indeed, responsible for funds in excess of the amount of our capital, \$104,000,000. For example, the \$750,000 pledged to Wellesley College has not been called for under the terms of the pledge, and therefore it helps to make our total funds somewhat in excess of \$100,000,000. As a matter of fact, we made pledges to an extent which brought our total unappropriated holdings on the 1st of January somewhat below \$100,000,000, so there was no accumulation.

Chairman WALSH. The funds of the foundation may be increased indefinitely by such future gifts as the foundation may receive from any source?

Mr. GREENE. Yes, sir; that is true, I think, Mr. Chairman. If we accept them.

Chairman WALSH. The annual income of the foundation is now approximately \$5,500,000?

Mr. GREENE. Approximately.

Chairman WALSH. Of this income it is provided that \$2,000,000 annually shall be applied to such specific objects within the corporate purposes of the foundation as Mr. John D. Rockefeller, sr., may direct?

Mr. GREENE. Yes; the explanation of that item, Mr. Chairman, is that Mr. John D. Rockefeller, sr., through his office, had been for many years giving to a large number of charities which were worthy, which had perhaps some personal claim upon him by virtue of his citizenship in New York and his residence in Cleveland. They were not necessarily objects of charity which ordinarily would commend themselves to the foundation as within its general policies, and it was thought that it would be entirely proper, provided they were clearly within the corporate purposes of the foundation, for the foundation to relieve Mr. Rockefeller of the actual handing over of the money and accounting for the funds, but when any such gifts are made by Mr. Rockefeller they have to be passed upon by the Rockefeller Foundation, and a formal vote is taken in each case, and it has to be approved as coming within the corporate purposes of the foundation. If the trustees were requested to make a gift for purposes that did not come within the corporate purposes of the foundation, even if Mr. Rockefeller asked us to do so we should be obliged to decline.

Chairman WALSH. Has any such circumstance arisen?



Mr. GREENE. No, sir. As the list which has been sent to the commission with the questionnaire of January 23 will show, there have been many purposes which the foundation would have been very glad to make contribution to on its own initiative. The largest was \$2,500,000 to the Rockefeller Institute for Medical Research, for the construction of new buildings and the enlargement of its work.

(The questionnaire referred to by the witness is printed among the exhibits as "Greene Exhibit.")

Chairman WALSH. There seems to be no actual limitation upon the corporate purposes of the foundation, as shown by the clause in the charter as follows [reading]: "Any other means and agencies which from time to time shall seem expedient to its members and trustees." Does this clause leave the foundation absolutely unrestricted so far as its purposes are concerned?

Mr. GREENE. It is restricted within the legal definition of charitable, eleemosynary, and philanthropic work. Those words are not in the charter and I do not think they need to be. If there should be anything objectionable—over the border line—in the direction of a commercial or business undertaking, it would be proper of course for the attorney general to investigate, or for such legal steps to be taken as might be necessary. It would clearly be a breach of trust, in other words.

Chairman WALSH. And the general law would apply to it?

Mr. GREENE. Yes; the general law would apply to it.

Chairman WALSH. Of the trustees of the foundation there are two members of the Rockefeller family, John D. Rockefeller, sr., and John D. Rockefeller, jr.? Is that correct?

Mr. GREENE. Yes, sir.

Chairman WALSH. Four are now or have recently been members of Mr. Rockefeller's personal staff or secretaries?

Mr. GREENE. Yes.

Chairman WALSH. They are Starr J. Murphy, Jerome D. Greene, Charles O. Heydt, and F. T. Gates?

Mr. GREENE. That is correct, Mr. Chairman.

Chairman WALSH. There are salaried employees of the foundation, two of whom are on the General Education Board, Mr. Wickliffe Rose and Dr. Simon Flexner?

Mr. GREENE. Dr. Flexner is not on the General Education Board, but is trustee and scientific director of the Rockefeller Institute.

Chairman WALSH. And a salaried employee?

Mr. GREENE. Yes; but responsible to his trustees and not to the foundation.

Chairman WALSH. Mr. Harry Pratt Judson is president of the Chicago University, endowed by Mr. Rockefeller?

Mr. GREENE. Yes, Mr. Chairman.

Chairman WALSH. And the others, Charles W. Eliot and Mr. A. Barton Hepburn, are the only ones not directly related to Mr. Rockefeller in some business way?

Mr. GREENE. My impression is that that is correct.

Chairman WALSH. The members of the foundation's finance committee are John D. Rockefeller, jr., Starr J. Murphy, and Jerome D. Greene, all of whom are or have been until the last few days members of Mr. Rockefeller's personal staff?

Mr. GREENE. That is correct, Mr. Chairman.

Chairman WALSH. The members of the executive committee are John D. Rockefeller, jr., Starr J. Murphy, Mr. Heydt, yourself, and Simon Flexner?

Mr. GREENE. They are.

Chairman WALSH. And you have been on Mr. Rockefeller's personal staff as secretaries or salaried employees?

Mr. GREENE. We have been.

Chairman WALSH. The meetings of the executive committee of the foundation, according to Mr. Rockefeller's testimony, are regularly held at Mr. Rockefeller's office at 26 Broadway, and not only are general industrial and financial matters taken up at those meetings, but outside persons, such as Mr. Ivy L. Lee, who has no relation to the foundation, are there present and advise freely with regard to the policies of the foundation; is that correct?

Mr. GREENE. Yes; that may be true as applied to informal conferences, but not to meetings that are called. That is not true of meetings of the foundation, or of the executive committee. I want to say that it would not be improper to invite Mr. Lee to attend the meetings, but I do not recall that it has ever been

done in his case. There are occasions when an outsider who happens to be present is asked to stay, but my positive recollection is that has never occurred in the case of Mr. Lee.

Chairman WALSH. Not assuming anything improper, but putting the question in order that you may analyze it and give a correct impression about it; you gather the point of the question?

Mr. GREENE. I do. Mr. Rockefeller has associated with him a personal staff, which advises him with regard to his affairs, both business and philanthropic. Mr. Rockefeller, in the discharge of his duties as president of the Rockefeller Foundation is at perfect liberty to invite the opinion of anybody in or out of his office on any subject, and it is to be expected that men who have his confidence in the office would be frequently consulted by him with reference to the activities of the foundation, in the formation of his own opinion and in the determination of his own vote, but, of course, that is a very different matter from identifying these outsiders with the foundation.

Chairman WALSH. I gathered from Mr. Rockefeller's testimony given the other day that perhaps his father had some other staff of advisers on purely investment matters; is that correct?

Mr. GREENE. No, sir.

Chairman WALSH. That is the only staff he has?

Mr. GREENE. Yes; that is the only staff he has; of course, it includes clerks as well as the members of the staff.

Chairman WALSH. The funds of the foundations are not subject to taxation?

Mr. GREENE. No, sir; not these things that are used for what may legally be called charitable purposes. They would be taxable if used for any other purpose, but I suppose our charter would be forfeited in that case?

Chairman WALSH. What would be the tax upon the funds of that foundation if it was regularly assessed and paid?

Mr. GREENE. I have not figured it out, Mr. Chairman.

Chairman WALSH. Has anyone ever figured it out?

Mr. GREENE. You can figure it at any rate you choose on \$100,000,000.

Chairman WALSH. I mean taking into consideration the actual tax that would ordinarily be levied against that class of property under the laws of New York?

Mr. GREENE. As I understand it, stocks are not taxable now and bonds are in most cases exempt by the payment of a tax in the beginning. The Rockefeller Foundation does not use any real estate. It would be entitled to freedom from taxation on any real estate, if it had its own office building, so far as that building was used for the purposes of the foundation, but an investment in real estate would be taxable just as much as investment of anybody else. That is the protection, which is the protection in this country against the mortmain. Real estate held by a hospital, or charity of any kind, if used for business purposes has to pay taxes; and that will prevent the happening in this country of what has happened in others, the gathering into charitable trusts of large amounts of land. That can never happen in this country on account of this restriction.

Chairman WALSH. I was going to ask you, Mr. Greene, what suggestions of your own, with respect to the general principles that should govern giving and taking were made a part of the policy of the foundation?

Mr. GREENE. They had no authority attached to them, and I ask you to attach only such authority to them as you can ascribe to my having written them, no more, no less. I had been engaged in educational work, and the administering of charitable work for several years. I was secretary at Harvard for nine years and two years at the Rockefeller Institute. Those were my observations.

Chairman WALSH. Please state at this point, Mr. Greene, your experience from the beginning; that is, prior to your connection with the foundation or the Rockefeller activities. Please sketch back, say, from the present day, what you have been doing for the past 10 years.

Mr. GREENE. On January 1, last, I ceased to be a member of the personal staff of Mr. Rockefeller and resigned from all the directorships in which I represented him.

Chairman WALSH. What significance did that have with reference to all of the activities? What changes were taking place, and what caused that to be done?

Mr. GREENE. It was the final determination of a matter which had been very actively discussed from the beginning. The Rockefeller Foundation should have its own organization and habitation, but it is still a very young institution, barely a year old, and some of our expectations with reference to an officer who might perhaps hold the office I am now holding, were not realized



on account of his health, and the question came up as to whether I should try to do both, to administer the Rockefeller Foundation as its executive secretary and hold my various business directorships and assist in any way I could in the management of investments, and it was finally decided that was too much for one man, and my request to be relieved was accepted, but I may say that I took the initiative.

Chairman WALSH. Do I understand that the offices of the foundation are being removed to another and separate building?

Mr. GREENE. The Rockefeller Foundation has its office now at 61 Broadway, and they have been there in temporary headquarters since the 6th of January.

Chairman WALSH. Is it the intention that the whole foundation is going to that building, and that all of its activities will proceed from there?

Mr. GREENE. Yes, sir.

Chairman WALSH. And it is to be separated permanently hereafter from the offices at 26 Broadway?

Mr. GREENE. Yes, sir. That has been a subject of recommendation by me on three occasions during the last year and one-half.

Chairman WALSH. What determined that course in your mind, Mr. Greene?

Mr. GREENE. The evident impossibility of one man trying to do as much work as is implied in being the executive officer of the Rockefeller Foundation and attending to the very many activities of Mr. Rockefeller's office.

Chairman WALSH. Now, please make the sketch, Mr. Greene, that I asked for of your own employment and activities?

Mr. GREENE. On the 1st of July, 1912, I entered Mr. Rockefeller's office. Before that for two years I was general manager of the Rockefeller Institute for Medical Research, and had charge of the administrative side, as distinguished from the scientific side of its activities. Before that I was secretary to the Harvard University corporation for five years; before that, secretary to President Eliot for four years; before that, connected with the University Press of Cambridge for two years; and before that I studied law.

Chairman WALSH. You were educated at Harvard?

Mr. GREENE. Yes, sir; a graduate of Harvard.

Chairman WALSH. And admitted to the bar?

Mr. GREENE. No, sir; I was never admitted to the bar. I gave up my idea of practicing before I finished the law school.

Chairman WALSH. With respect to the submission of this general plan of giving on your part, when was that submitted to the foundation?

Mr. GREENE. On October 22, 1913.

Chairman WALSH. Was the entire membership present at the time?

Mr. GREENE. Yes, sir; with the exception of Mr. John D. Rockefeller, sr.

Chairman WALSH. Was it submitted to Mr. John D. Rockefeller, sr.?

Mr. GREENE. I never heard that it was. It was a volunteer act wholly on my part, and I am not sure that any great weight was attached to it. It seemed to be received as a fairly accurate expression, but I doubt if any importance was attached to it by my associates.

Chairman WALSH. That was October, 1913?

Mr. GREENE. Yes.

Chairman WALSH. Has that general plan been followed since that time?

Mr. GREENE. Yes, sir; there was a tacit understanding, I think, that I should in general be guided by this policy, but no vote to that effect was passed.

Chairman WALSH. Did this policy differ in any material respect from the general policy that had been followed by Mr. John D. Rockefeller, sr., in the past?

Mr. GREENE. No; my purpose was practically to put on paper what I supposed to be his policies as I had observed them.

Chairman WALSH. Take for a period of, say, five years prior to the institution of the Rockefeller Foundation, what amount per annum would you say that John D. Rockefeller, sr., had spent personally, or through any agents, along the same lines that have been and are intended to be followed by the Rockefeller Foundation?

Mr. GREENE. I am sorry that I do not know, Mr. Chairman. It was not my business to know. I have not summed them up in any way; I had no occasion to sum them up, although I advised Mr. Rockefeller upon a great many of them.

Chairman WALSH. You could not approximate them?

Mr. GREENE. No, sir; I could not even approximate them.

Chairman WALSH. As I understand you, there was no marked departure in the policy as adopted by the Rockefeller Foundation, and perhaps no change in its activities except as to amounts?

Mr. GREENE. My impression is that there was no special change, but my impression is not worth much on that, Mr. Chairman.

Chairman WALSH. Now, this chart that you have submitted to the commission shows the personnel of all Mr. Rockefeller's boards?

Mr. GREENE. Yes, sir.

Chairman WALSH. There are none omitted? We may take this as complete?

Mr. GREENE. Yes, sir. There is a board referred to in one place under the title of "The Bureau of Social Hygiene," which is not one of Mr. Rockefeller's boards. That is a bureau initiated largely by Mr. John D. Rockefeller, jr., and the membership consists of four persons, Mr. John D. Rockefeller, jr., Starr J. Murphy, Paul Warburg, and Dr. Katherine B. Davis.

Chairman WALSH. The questionnaire contains an answer to the question as to the activities of that last board and the amount of its expenditures, does it?

Mr. GREENE. No, sir; I do not remember anything about that with regard to the bureau of social hygiene.

Chairman WALSH. Will you please sketch the bureau of social hygiene, how it is organized, its activities, and its endowment or contributions?

Mr. GREENE. I can do that on the strength of my general information, but I am not a member of the bureau and know of its activities simply because of my close association with Mr. John D. Rockefeller, jr.

I think the first activity of the bureau was making a study of the problem of prostitution, and the idea was, if possible, to precede any discussion of policy, of regulation, or anything else by a knowledge of the precise facts, and the first matter published had reference to the actual facts in regard to commercialized vice in New York City. A book was published on that subject by George J. Kneeland. Mr. Costigan referred to that as an admirable achievement of Mr. Rockefeller's this morning.

The second study was on prostitution in Europe—I think I see the volume in your hand now—by Abraham Flexner. This work was not along the line of argument, but a plain statement of facts about the ways of dealing with that problem in Europe, and I think there is substantial evidence that the mere knowledge of the facts as to certain legislative and other expedients in Europe has very greatly affected the opinions of magistrates and others in this country who have to deal with that problem.

Chairman WALSH. Does this book contain all of the conclusions that have been made public up to this date?

Mr. GREENE. That is the latest publication.

Another undertaking bearing on social hygiene was the establishment at Bedford, N. Y., in connection with the State Reformatory for Women, of a so-called laboratory of social hygiene, the purpose of which was to precede the final commitment and disposition of any case by a careful study of the economic and social conditions and background of each person committed to the reformatory, and learn her physical, mental, and moral condition. It hardly seems to need argument that before an intelligent disposition could be made those factors should be taken into account, but it never had been done adequately, and the bureau of social hygiene thought that an experiment of four or five years along those lines would perhaps point the way to an improvement in the administration of our prisons and reformatories.

Chairman WALSH. When was this work begun, Mr. Greene? Can you recall when it was?

Mr. GREENE. Probably about five years ago; I do not know.

Chairman WALSH. Did this organization undertake to make a study upon the subject as to whether or not wages and working conditions had any relation to vice and prostitution?

Mr. GREENE. My impression is that those factors are not ignored, but I think it was not the purpose of either of those inquiries, at least I do not think either of them pretended to go exhaustively into that aspect of the matter; but it would not be fair for judgment to be formed as to this feature of the matter on my recollection of it.

Chairman WALSH. No; but I was trying to call your attention to that to find out whether or not, as a matter of fact, the inquiry was made and conclusion reached and publicity given upon that question?



Mr. GREENE. My impression is that Dr. Davis has dealt with that aspect of the matter. I think she has certain opinions on the subject.

Chairman WALSH. Have they been given publicity?

Mr. GREENE. There is one chapter in that book written by Dr. Davis.

Chairman WALSH. At this point we will adjourn until to-morrow morning at 10 o'clock, and you will again resume the stand, Mr. Greene.

(At this point, at 4.30 o'clock on Tuesday, February 2, 1915, an adjournment was taken until Wednesday, February 3, 1915, at 10 o'clock a. m. at the same place.)

NEW YORK CITY, February 3, 1915—10 a. m.

Present: Chairman Walsh, Commissioners O'Connell, Lennon, Harriman, Ballard, Weinstock, Garretson, and Commons.

Chairman WALSH. The house will now please be in order. We are about to resume.

Mr. Greene, will you please resume the stand?

#### TESTIMONY OF MR. JEROME D. GREENE—Continued.

Mr. GREENE. Mr. Chairman—

Chairman WALSH. Was there something you wished to say, Mr. Greene?

Mr. GREENE. Yes, Mr. Chairman. In telling you yesterday that I had resigned from my business relations in Mr. Rockefeller's office, and from the directorships which I held, I did not wish to appear to be evading any responsibility I had during the period of time which especially has the consideration of this commission. I am quite prepared to be asked about my connection with Mr. Rockefeller's office during that time, and should rather hope to be given an opportunity to testify about that.

Chairman WALSH. If there was anything said or asked that had that appearance, it was certainly far from my mind or the mind of any of the commission. It is quite interesting to know that your whole matter seems to be passing through quite a stage of transition—that is, the moving of the office—and nothing you said gave that impression and nothing was intended to be implied. I have tried to have these questions prepared so they would go right to the root of things, and so that you would have an opportunity as broad as any criticism to make answer. Therefore, if I put it in that way, I do not wish you to think it contains the seed of any belief or judgment on the part of any of the commission of that kind.

Mr. GREENE. I appreciate your statement highly.

Chairman WALSH. Have you mentioned all of the civic, educational, or philanthropic bodies of which you are at the present time a trustee or a director?

Mr. GREENE. I am a member of all of the boards indicated on the chart where my name appears.

Chairman WALSH. Does the chart contain all of your activities in that direction?

Mr. GREENE. Not all. I hold one as an exception, a position as member of the board of directors of the American Social Hygiene Association.

Chairman WALSH. Any others?

Mr. GREENE. I am a trustee of a country hospital in New Hampshire for personal reasons.

Chairman WALSH. Exactly what connection have you at the present time with Mr. Rockefeller's personal investments?

Mr. GREENE. None whatever.

Chairman WALSH. Do you still confer with Mr. Rockefeller's personal staff on matters pertaining to his personal affairs, and have you so conferred since January 1, 1915?

Mr. GREENE. Since January 1, 1915, I have conferred with Mr. Rockefeller's staff on a great many matters in which I was jointly interested with them on account of the investigation of this commission. Otherwise I think I have hardly had time.

Chairman WALSH. You have assisted in getting up these voluminous documents?

Mr. GREENE. Yes, sir; I have.

Chairman WALSH. And it required a great deal of detail work, and the application of a large number of the managing persons in your office?

Mr. GREENE. You are entirely right, Mr. Chairman.

Chairman WALSH. What do you understand—you have answered this at least in part, but I will ask it again, in view of what you said about the almost impossibility of rendering effective service where there are many boards to be served on—what do you understand to be the reason for your appearance individually on all these boards?

Mr. GREENE. I do not think I said it was possible, Mr. Chairman. I think the membership of all these gentlemen on all these boards is proper and justified. It does, however, place a pretty heavy burden on them, and the difficulty, if any, lies in the weight of that burden.

What was the rest of your question?

Chairman WALSH. I believe I asked you if you felt that you could render effective service on these many boards?

Mr. GREENE. That suggests another aspect of this question of interlocking, which I am very glad to have the opportunity of explaining.

It is almost impossible to draw a sharp line of distinction between the fields of education, social betterment, and public health. Those are convenient classifications of our work. Conceivably, the Rockefeller Foundation might openly and avowedly be responsible for them all with subcommittees dealing with the separate fields. As a matter of fact separate corporate entity has been given to these related works, but I should regard it as a great misfortune if they became so separated that those points at which these fields touched each other should be treated with insufficient knowledge of what was going on in the related fields. That is a very strong justification of such interlocking as there is.

For example, in considering such a question as the health of workers in factories, a question of public health—there are educational aspects of that question, the teaching of sanitation and hygiene, there are medical aspects in the working out of the medical features of it, and there are legislative aspects, and so forth: those all touch each other, and I believe the efficiency of these interlocking directors in each of these fields is very greatly increased by the knowledge each inevitably derives from the others.

Chairman WALSH. Do you expect to give your full name to the work of the foundation hereafter?

Mr. GREENE. I do.

Chairman WALSH. In your conferences, do you ever at one sitting take up questions relating to the three boards and the health commission and Mr. Rockefeller's affairs? Of course, Mr. Greene, this question refers to the past, assuming that your time has been taken up with this other work recently.

Mr. GREENE. Are you referring to formal meetings or informal conferences, which can not take definite action?

Chairman WALSH. I would like you to express your doings in both. Perhaps we can get to an end better by asking you to state the whole proposition—any sort of conference or any sort of meeting, official or otherwise. I will ask the question again.

In your conferences, do you ever at one sitting take up questions relating to the three boards and the health commission and Mr. Rockefeller's personal affairs, investments or otherwise?

Mr. GREENE. We certainly should not do so at formal meetings. At informal conferences it is possible that those of us who have been in both relations would discuss—would turn from one to another of those matters. It is perfectly possible.

Chairman WALSH. How do you keep separate your different personalities? How do you know when a trustee of one board leaves off and the trustee of another board begins? How do you know when a philanthropic matter leaves off and Mr. Rockefeller's personal matters intervene?

Mr. GREENE. I have never discovered, Mr. Chairman, that that question presented any difficulty whatever, except the difficulty as to time and strength. It has never raised questions of incompatibility of interest or conflict of interest in my whole experience, never.

I should be very glad, Mr. Chairman, if you could put that question more concretely and suggest what kind of conflict of interest might arise.

Chairman WALSH. I will try to illustrate as you have asked. Suppose you are all in conference there and the question came up as to a plan for settling the Colorado difficulty, and Mr. King, for instance, submitted a plan of this sort:



We will say he submitted the plan that he did submit of this question of publicity, and you recognize, of course, that publicity is a great force, the force of education. I will withdraw that question. I am going to put it in an extreme case, so as to give you an opportunity to go over the whole question.

Suppose Mr. King had written out a plan for you and said the only way to bring about industrial peace and establish justice in Colorado—this was some time back, of course—was to call an immediate conference between John R. Lawson, Ed. Doyle, John D. Rockefeller, jr., John D. Rockefeller, sr., and Mr. Welborn, and that they should enter into a contract with the United Mine Workers of America for the next two years, based upon the outlines of contracts with other coal companies. Then the question of publicity should arise—shall we use a large part of this fund on behalf of the foundation to circulate that principle as applying to industry and as being a means of establishing industrial peace everywhere?

Mr. GREENE. My answer to that question is that I should feel perfectly at liberty to differ with Mr. Mackenzie King as to the wisdom of that proposition, and should probably, during the pendency of the strike, have differed with him if he made that suggestion. In the second place, I am emphatically opposed to the use of what you apparently mean by "publicity," and I should object, as secretary and trustee of the foundation, to the funds of the foundation being used that way.

Chairman WALSH. Could you search your conscience and feel that the reason you did not want publicity on that was that it conflicted with the personal interests of Mr. Rockefeller?

Mr. GREENE. I should be opposed to the use of the funds of the Rockefeller Foundation generally for propaganda or publicity on matters of public controversy. The sole use of the funds of the Rockefeller Foundation for propaganda, I should say, should be limited to matters like sanitation, public health, in so far as they are not controversial, where there is a common agreement that what is needed is a diffusion of existing knowledge and information having to do with the public health.

But as to publicity, there are two meanings to that word, Mr. Chairman. The word has been given quite a black eye, chiefly because of a discredited method of publicity. I am referring now to the method of ingratiating the public and winning over the support of newspapers either through the publication of advertisements, which may be thought to bring pressure on the expression of editorial opinion, or by the deliberate buying up of editorial and news space, if that is possible.

Suspicion that that has been done has undoubtedly existed in the United States. Now, that method of publicity has been entirely discredited and its place has been taken in the enlightened usage, I think, of most of our corporations by a method of stating frankly the facts from the interested point of view of the corporations, with the names signed to the statement in such a way that there can be no question as to who is responsible for it. Statements thus made are set up to be refuted by anybody who can bring to bear contrary facts, and, in my opinion, Mr. Chairman, at this moment the chief exponent of that honest, candid, and fair method of publicity, which stands up and takes the responsibility for what is done, is Mr. Ivy L. Lee. I made his acquaintance last June, I think it was, and from the very first I was impressed with the fact that that was Mr. Lee's contribution toward the Colorado situation, and it was a contribution which, in my opinion, was very much needed.

I have not the slightest hesitation in saying that I think the operators were very delinquent in not taking steps to bring out what they considered the facts of the situation as the United Mine Workers of America were doing, and I am glad to be able to say that the United Mine Workers of America used what I may call the modern method of publicity. Even their pamphlet on the Ludlow strike, which they entitled, I think, the "Ludlow Massacre," they had printed on the title page the name of the publicity agent of the United Mine Workers of America, who was responsible for that statement.

I do not think anything is to be gained on this occasion, Mr. Chairman, by mere recrimination, nor should your time be taken up by people who have nothing of their own knowledge to testify to directly, but I find it very hard to let this opportunity pass without saying that, so far as I know, not a single one of those gross misstatements and criminal accusations that occurred in that pamphlet and other pamphlets issued by the Mine Workers of America, though disproved on the witness stand before this commission and others, has been retracted by the United Mine Workers of America. A great deal has

been said about the mistake that was made as to the compensation paid certain union officials. I think that was a very serious error, but it could only injure the operators themselves who were responsible for letting out that statement. It came to my notice very soon after it was brought out before your commission at Denver, or subsequently in the newspapers, and I know I said at once, and my colleagues agreed with me, that that thing should be corrected, and why it was not corrected until the 1st of January I do not at this moment know any better than you do; but, of course, it should have been corrected promptly. No one but the operators had anything whatever to lose by the publication of that statement, and as for the relative publicity given to the retraction of that statement, I think I have heard it read into the record of the proceedings of this commission three times, and it has been made a matter of such wide discussion that I presume five times as many people know the correction as heard of the lie as it was told. I do not know who is responsible, but the fact that it is false has received more publicity than the original statement.

Chairman WALSH. Just for the moment, going back to my illustration. What I mean by publicity is, Mr. Rockefeller said that the money of the foundation could be used that way under its powers.

Mr. GREENE. There are a great many things, Mr. Chairman, that are injudicious, and possibly some things that are wrong, which could be done by the foundation before coming up against the arm of the law; and the only safeguard that I know of against that, as in the case of the management of a hospital or university or any other charitable foundation, is the force of public opinion brought to bear upon the selection of trustees and the force of public opinion as a constant influence in their work, and the ultimate power of the legislature to abolish a trust if it is unwisely used.

Chairman WALSH. State the number of persons now employed by the foundation, for all kinds of service, if you please, Mr. Greene?

Mr. GREENE. The foundation, Mr. Chairman, is a very young institution. Its executive staff is at present very small. Its salaried staff consists, in addition to the secretary, at present of only three or four clerks. And the extension of its organization will depend upon the development of work during the next year or two.

The foundation has instituted the International Health Commission, and it is carrying on the hookworm work around the world. And it would be impossible for me to say, offhand, how many men were being paid with money of the foundation. I think somewhere between one and two hundred, possibly.

Chairman WALSH. You may give us a list of that, if you have not already done so.

Mr. GREENE. I will be glad to give you such a list.

I want to say with reference to the International Health Commission, Mr. Chairman, that that was established primarily in order to extend around the world the hookworm work, the method which has been worked out in this country.

Now, that is a case very much in point, for this reason: We have had a sort of contract or understanding with the British colonial office for teaching the public health authorities of the tropical colonies how to deal with the hookworm disease.

Now, what could we teach the expert medical authorities of Great Britain on that subject? They have better facilities for training public health officers than we have. The first pathological work in the study of the hookworm was done by the English in Egypt, and they have a public health service organized in their various colonies. What could we teach? What we could teach was just this: That public health work of that character to be successful must first enlist the understanding and sympathy and the active cooperation of the common people.

Now, what has made our work in the past successful? Not that Mr. Rockefeller came down and poured out a few millions of dollars, but that going down there and working in a small way at first the people got interested. They got interested and convinced that they had this disease and that it was a great economic handicap, and by their own effort they could get rid of it.

The other method of public health work is by regulation of the central authorities, and such regulation applied to colonies is often odious and is not observed, and we could teach there something quite new, I think, to the British authorities, the possibility of interesting the people in their own salvation. That is the Rockefeller Foundation's contribution to the public health of the world.



Chairman WALSH. Please give a list of the principal studies the foundation has and is now conducting?

Mr. GREENE. The principal study is the investigation of industrial relations, on which Mr. King is now beginning. He is devoting probably the whole of this year to the study of the best possible approach to that subject. He is drawing what he calls a chart, which brings in almost every aspect of human relations, I should say, in order that when he does begin his great intensive work he will do it with knowledge of all other aspects of the matter and after consultation with others. The foundation as at present constituted is employing no other investigators.

Chairman WALSH. How many assistants has Mr. King in his department?

Mr. GREENE. Mr. King has a private secretary and a stenographer. He has received a great many applications from persons desiring to serve as investigators, but has been obliged to decline them all on the ground that his present work was that of intensive study.

Chairman WALSH. When do you think any publication will be given out as to Mr. King's work?

Mr. GREENE. That would be entirely a matter for Mr. King to say. I do not know.

Chairman WALSH. Is it a matter of years?

Mr. GREENE. I should hope that what he regards as the approach to the problem would become known within a few months. But as to publication thereafter I have not any idea whether it will be a year, two years, or five years.

Chairman WALSH. Please state the study which you as secretary make, to make sure that the plan of investigation is broadly conceived and carefully, and that the work is scientifically conducted and scientifically tested?

Mr. GREENE. The only case to which I can now refer, of course, is that of the investigation of industrial relations. My method of making sure of that is to acquaint myself with the investigator, get a knowledge of his character and his ability; we take some chances, of course, Mr. Chairman, of having made a mistake in some cases, but trust to experience to show whether the original confidence was justified.

Chairman WALSH. Was Mr. King the author of the Lemieux Act, the Canadian industrial trades dispute act?

Mr. GREENE. He is so regarded, I think, in Canada.

Chairman WALSH. One of the administrators of it?

Mr. GREENE. As minister of labor I think it was his duty to have to do with the administration of the act.

Chairman WALSH. Did it occur to you that perhaps the working people of the United States would feel that he was deeply committed to that by reason of having been the author of it and the administrator of it, and did it occur to you that perhaps you were taking an investigator with a very staunch pre-conceived attitude?

Mr. GREENE. I expect to find in Mr. King a prejudice in favor of the characteristic feature of that act. And the characteristic feature of that act was complete publicity as coming from the investigation of both sides in advance of the tying up of any public-service corporation, including the coal companies. That, I think, was a prejudice which we should not seriously lay up against Mr. King.

As to whether that is a panacea, Mr. Chairman, I do not believe Mr. King so regards it. But it has been applied to the general situation in Canada, meeting with opposition on the part of both labor sometimes and of capital sometimes, but on the whole commending itself to the public.

Chairman WALSH. Did you as secretary think that that was a pretty good thing when you got Mr. King's services?

Mr. GREENE. I thought it had worked pretty well in Canada, and that it was certainly good in those features of which I spoke, but I am not aware whether it would be applicable to this country and whether it would be possible to enact into law certain features which are essential to it.

Chairman WALSH. Speaking now generally, Mr. Greene, and looking forward, say 10 years, do you believe that there should be such interlocking of directorates as now exist among the three Rockefeller Foundations, or between Mr. Rockefeller's personal staff, and a majority of each of the three executive committees?

Mr. GREENE. Of course, Mr. Chairman—

Chairman WALSH. In referring to this group that we have been talking about here, what other term might be used than "interlocking directorate"? It is a common term, and whether or not it can be properly applied to this in view of the explanation you have given as to what we might also call the interlocking information, it is necessary to use some term.

Mr. GREENE. I don't think of a better word, unless it be "overlapping" might be used, or "overworked" might be used, Mr. Chairman.

Chairman WALSH. If this group of interlocking, overlapping, or overworked gentlemen wanted to give special encouragement, or, as suggested by Brother Ballard, "underpaid" gentlemen—that, I believe, we have not gone into as yet—if this group so designated and characterized wanted to give special encouragement to a particular college or particular civic agency or particular denomination or particular method of teaching economics has it the legal and financial power to select the individuals or agencies and subjects to be specially encouraged?

Mr. GREENE. I am afraid we could do a lot of damage, Mr. Chairman, before we could be stopped. But the risk is not, perhaps, as great as that would imply. I think wherever large discretion is placed, reliance is put on the judgment of the trustees. Public opinion, I think, is extremely exacting in such matters. There has been a great deal of talk about academic freedom and limitations on it in this country. The question was asked of President Eliot, Mr. Chairman, on my suggestion, as to the traditional doctrines on economics of Harvard University. He said there had been no characteristic doctrine, in spite of the fact that the protected industries of Massachusetts were largely responsible for the growth and prosperity of the college. He neglected to state that he was the most conspicuous free-trader in Massachusetts during the period when four-fifths of the endowment of Harvard was obtained. Now, public opinion in Massachusetts would not tolerate anything different; and I do not think public opinion in the United States generally would tolerate a lower standard of independence and integrity.

Chairman WALSH. What is there to prevent the Rockefeller Foundation from unduly influencing public thought and unduly influencing the agencies which in turn may influence public officials and university professors?

Mr. GREENE. I think what I have already said, Mr. Chairman, answers that question.

Chairman WALSH. The forces of public opinion?

Mr. GREENE. The force of public opinion, and, in the event of vicious or very unwise trustees being imported into the organization, a wholesome fear of the consequences.

Chairman WALSH. Is there any legal provision which at present would prevent such misuse of power?

Mr. GREENE. I want to be perfectly clear as to what you mean by "such misuse."

Chairman WALSH. By a misuse of power such as I have designated—that is, unduly influencing public thought, unduly influencing agencies which might influence public officials, or university professors.

Mr. GREENE. I do not see any legal provision to safeguard the foundation on that point.

Chairman WALSH. Is there any provision in the constitution or by-laws of the organization?

Mr. GREENE. No, sir. I think that that is a point upon which the trustees must be free essentially, just as every citizen is free to use or abuse his powers, his liberty, and take the consequences.

Chairman WALSH. Several witnesses, including Mr. Rockefeller, have called our attention to a provision in the membership corporation law of New York State which gives the legislature power to amend or repeal a charter given, a charter like that of the Rockefeller Foundation, and I want to ask you a few questions as to that. Would not a misuse of power have to be very great to attract enough public attention so that the legislature would make an issue of the charter—a political issue or a legislative issue?

Mr. GREENE. The public would have to make up its mind, Mr. Chairman, as to whether the abuse was of such importance as to merit legislative interference. But it seems to me that the exact nature of the legislative interference would be determined by the gravity of the danger. If it was very grave and serious the charter might be annulled. If dangerous tendencies were indicated,



the charter might be amended or provision made for designating some of the trustees or something of that sort. In other words, a safeguard, a precautionary measure, could be very nicely adapted, it seems to me, to the degree of danger that was exhibited.

Chairman WALSH. You have observed, I suppose, that in many of these fields requiring legislation which is now admitted by all to have been to the great benefit of the whole body of the people, have been matters of controversy before legislatures for many years before the thought was finally worked into legislative action? That is true, is it not?

Mr. GREENE. Yes; I think that is true.

Chairman WALSH. Can you name any case now in which a legislature has acted except after most flagrant abuse? I want to go your thought thoroughly upon this subject.

Mr. GREENE. I am not enough of a student of legislation to be able to answer that question in the form in which it is put; but I think there has been a great deal of legislation which I think probably has procured abuse and a great deal which has followed it.

Chairman WALSH. Suppose the public interest were aroused after the legislature had adjourned, or suppose, again, that the particular grievance was that the foundation controlled the legislature, what public action could be taken?

Mr. GREENE. I should think that if any such shocking state of affairs occurred as that, that the life of the offending corporation would be very short.

Chairman WALSH. Well, you are familiar with the shocking conditions that obtained in the railroad industry, are you not, extending over a period of many years, and the efforts of legislatures to control the situation and pass remedial laws. Suppose, now, that the foundations should fall into bad hands, and that the men operating the foundations, and having this potential power of publicity and public education, should likewise be interested in industries like the railroad industry, for instance, where they did openly control legislatures and avenues of publicity. What would become of the power to repeal the charter or to amend it?

Mr. GREENE. Your first question was as to railroads and other corporations which had grossly—

Chairman WALSH. No; I cited that—I put the proposition down because I do not think that it applies to your present organization, or to the Rockefeller Foundation itself. But we will say now that a very rich and powerful economic organization, or powerful man, had charge of a foundation, and one that had unlimited resources of publicity, and he was also engaged in what might be called an exploiting industry that was doing a great deal of harm to the community, could he not use the foundation to help him in his what might be called nefarious conduct—improper conduct?

Mr. GREENE. With your hypothesis I think it is perfectly possible. As I said before, I think a lot of harm could be done before you could stop him; and that is equally true of anybody in a responsible position, whether the President of the United States, or a governor of a Commonwealth, or the chief of police, or the chairman of this commission.

Chairman WALSH. Yes. Well, you recognize the great power that goes with the foundation of that sort, of course?

Mr. GREENE. Yes; I do.

Chairman WALSH. Granting that these are remote possibilities, I am very glad to assume even that they are remote possibilities, do you feel that the public should embody safeguards in the incorporating act along the old and well-known theory of locking the barn before the horse is stolen, instead of afterwards?

Mr. GREENE. Mr. Chairman, the barn has existed in this country with a tolerable degree of security for 300 years, and the American people have been using the endowment method of contributing to the public welfare during that period, and I do not think merely a priori considerations will probably lead them at this time to change a policy which has been productive of so much good. The alternative to a rich man is to blow his money in on his own amusement, or pile it up for his own aggrandizement, or to make it somehow serviceable in this country. This country is unequaled by any other in the strength and the duration of that tradition by which men of means in this country have dedicated a part of their means to the public welfare.

Chairman WALSH. Might a person controlling or having the potential power to control a very large industry have another outlet—that is, to fail to make

so much—to intentionally fail to make it just as he intentionally and very properly devotes it afterwards to some good cause?

MR. GREENE. I didn't get that question.

Chairman WALSH. I say, might there not be another outlet for this excess, if you could call it so, of wealth—that is, for a man who has charge of a large industry to refrain from making so much; for instance, like giving the workers in that industry a greater compensation or a greater share of the product?

MR. GREENE. Mr. Chairman. I think that we all agree that, given certain standards of decency and justice and considerate treatment, the American workingman does not ask for a gift or for bonuses over and above what is a fair rate of remuneration. I am very much mistaken if he would.

Chairman WALSH. But not calling it bonuses, though that seems to be a common term, but not calling it bonuses, is it your idea that a workman would receive a larger portion or share of the product of an industry, and if he did receive a larger share, should he be looked upon as a man receiving charity?

MR. GREENE. I can speak only from my own feelings, in the matter, Mr. Chairman. I did not suppose that workingmen wished to profit by exceptional treatment of the kind you indicate.

Chairman WALSH. Of course, that is not their viewpoint. Their viewpoint, if I may state it, as expressed often before this commission, is that it is a matter of justice; that a fair share of the product is being withheld from them by the machinery of modern industrial devices.

MR. GREENE. They should certainly have what is regarded as just. Over and above that, I should suppose that any payment would be in the nature of a gratuity.

Chairman WALSH. Take the concrete case—it is a compelling sort of case, perhaps, in its aspects—in New Jersey, where it has been reported to this commission that the unfortunate conflict which came up was over a question of 40 cents per day in wage, and assume that some man had potential control of that property that had a great deal of money, a great excess of wealth that he might bestow after he got it from the industry. Do you believe it would or would not be a proper outlet for him and an act that would not detract from the self-respect of the worker, for instance, to pay him \$4 a day instead of \$1.60 a day?

MR. GREENE. That would depend on whether the amount asked for was reasonable. If it was reasonable, certainly it would be better for him to pay his employees more. If it was an unreasonable demand I should say it would be better for him to dedicate his money in some way to the public good. That is a case on which I have no information as to the facts.

Chairman WALSH. In what way do you arrive at what is or what is not reasonable?

MR. GREENE. I do not arrive at it, because it does not happen to be my business. But if it were, I should try to get some criterion.

Chairman WALSH. Well, I am trying to draw out now, if I can, to follow up the thought that you left here as to the alternatives, that a man with money has; that is, that he should blow it in or have a good time or think he was having a good time, or spend it improvidently, we will say—

MR. GREENE. I think that is not, Mr. Chairman, the only alternative. There is another alternative, which I think is of the utmost importance, and that is spending his accumulation in the promotion of additional industry and giving employment to additional labor—and what is more important than giving employment to labor?—because I think that is not the best way to put it, but increasing economic production for the benefit of the world; and that, I think, is just as good philanthropy as giving money away.

Chairman WALSH. Since the legislature has the power to repeal or amend a charter such as yours, do you believe that it was wise to, or would it not be a better situation, to have the foundation start with such limitations of its power, and then come back to the legislature whenever such limitation might prove to be an obstacle to real public service?

MR. GREENE. The matter seems to me, Mr. Chairman, rather academic than otherwise, because the limitations proposed for the proposed charter in Washington would not in any way, I think, hamper or embarrass us or change anything that we have done or intend to do. But when we were not successful in finally getting the charter in Washington and came up here, we thought that the best and most proper way to proceed was to ask for a charter on exactly the same terms on which it had been given to at least three other foundations in the State. But at all times I think we should be prepared to consider pro-



posals for limitation, and as I said yesterday, I do not think anyone can be more interested than we are in those limitations, in the discussion of those limitations, so far as they may be shown to be necessary. We are more interested than anybody else, we might say, in having our limitations properly arrived at.

Chairman WALSH. You made a statement some time ago about the terrific force of public opinion—well-directed public opinion—well-thought-out public opinion. How does it find its expression in the field of legislation? That is the part I am trying to arrive at. Would you accept the Congress of the United States—the House of Representatives and the Senate—as being expressive of the will of the people based upon its thought?

Mr. GREENE. It does not always instantly express the state of public opinion, the Senate being elected for longer terms is less quickly responsive than the House; but they both undoubtedly show the effect of public opinion in their make-up.

Chairman WALSH. In its last analysis is there any other way for the American people to arrive at a state of public sentiment except through their legislative body; that is, in the field that might require legislation?

Mr. GREENE. I should say that is the way in which their wishes are recorded, Mr. Chairman; but in the formulation of their wishes I should attribute greater importance to the newspapers and to public speech and discussion.

Chairman WALSH. There were thousands of criticisms and suggestions published in the newspapers and magazines when the question of the incorporation of your foundation was before Congress, were there not?

Mr. GREENE. There were many suggestions.

Chairman WALSH. The matter was debated in Congress, and a hearing was had before two committees, one of the House of Representatives and the Senate committee?

Mr. GREENE. The hearing before the Senate committee was on the original bill in 1910. The hearing before the House committee was in 1912. It was not a public hearing, as I recall it.

Chairman WALSH. But they heard the matter, and they received advices from the foundation?

Mr. GREENE. Yes.

Chairman WALSH. And they received the Peters bill?

Mr. GREENE. They did.

Chairman WALSH. Containing the amendments that the House of Representatives thought proper to be made and the limitations placed upon the foundation?

Mr. GREENE. The limitations were made in the second draft of the Senate bill, and in the form that later was introduced into the House of Representatives.

Chairman WALSH. So, then, they did have a public hearing on the substantial features of the bill in both the Senate and House.

Mr. GREENE. Public in the sense that the subject was a matter of public discussion; not in the sense there were two public hearings at which arguments pro and con were heard.

Chairman WALSH. There was an extensive and serious discussion of the matter in the Senate, was there not, certain Senators expressing their grave fears of the granting of power and others accepting the viewpoint practically as expressed by yourself?

Mr. GREENE. There was no discussion, Mr. Chairman, of the bill itself, but several Senators found it relevant to other matters under discussion in the Senate to devote several pages of the Congressional Record to the expression of their opinions on that subject.

Chairman WALSH. So the Senate was reasonably well informed in that matter in that somewhat roundabout way you have mentioned as to the points at issue?

Mr. GREENE. I think so, as the whole public were.

Chairman WALSH. After that bill failed to go through both Houses, by reason of Congress adjourning at the time, I understood from Mr. Rockefeller, then you handed Mr. Rockefeller a memorandum which he read to the commission the other day at the City Hall, which stated that you went to the majority leader of the New York Assembly and asked him to get the State assembly to pass the act incorporating the foundation?

Mr. GREENE. That is my recollection.

Chairman WALSH. You did that, did you?

Mr. GREENE. Yes.

Chairman WALSH. Who was the majority leader?

Mr. GREENE. My impression is it was Senator Wagner. At any rate I had been previously acquainted with Senator Wagner, and naturally went to him as the leader—I think he was the leader; he was at that time or had been. I think at the moment he may have been presiding; at any rate, I asked him, and he said Senator Foley would introduce the bill if I asked him. Then I went to the Republican leader, and I think also to the Progressive leader if there was one. My recollection is a little indistinct, but I went to the leading men in both houses and was assured that they were all enthusiastically in favor of the measure and would support it when it came up.

Chairman WALSH. Who said that?

Mr. GREENE. All of the leaders, all of the party leaders; both the majority and the minority.

Chairman WALSH. Of what measure?

Mr. GREENE. Of the bill.

Chairman WALSH. The bill granting the charter?

Mr. GREENE. Yes. There was no opposition at all. I offered to do whatever was necessary, in the way of circularizing the assembly, pointing out the general characteristics of Mr. Rockefeller's benefactions and our policies and methods and everything to enable them to form an opinion of the merits of the enterprise. But in the absence of any disagreement among any of the party leaders, I was told that that was unnecessary; I was very glad to save the time.

Chairman WALSH. Who told you, Senator Wagner or Senator Foley?

Mr. GREENE. When the bill was finally in Senator Foley's hands I think it was he that told me it would not be necessary to circularize.

Chairman WALSH. Was there any publication in the newspapers of the terms of the charter before it was passed?

Mr. GREENE. I do not remember having seen one. The newspapers paid very little attention to it, to its passage, which was rather a surprise to me, as I could not understand why it only had an inch or two in the papers at the time.

Chairman WALSH. Have you observed since this inquiry came up—do you have a press-clipping service at your office, Mr. Greene?

Mr. GREENE. I have received press clippings, limited, I think, to an expression of editorial opinions. I have also had voluntarily sent to me a great many others, so that I have a large and unopened collection of clippings.

Chairman WALSH. Have you observed that some of the leading newspapers in the United States have carried statements since this inquiry was projected to the effect that the Rockefeller Foundation was operating under a charter granted by the Congress of the United States?

Mr. GREENE. That has not come to my attention.

Chairman WALSH. Your attention has not been called to that?

Mr. GREENE. No.

Chairman WALSH. Did you tell the majority leader, or Senator Foley, about the alleged safeguards which were put into the national charter and explain to them that those safeguards were not needed, according to your opinion?

Mr. GREENE. I do not recall that, Mr. Chairman. He may very naturally have asked me whether it was the same, and if he did, I told him; and if he did not, I may not have said it to him.

Chairman WALSH. Did you give the majority leader, Senator Foley, copies of the publicity matter which you have included in your answer to this commission?

Mr. GREENE. I do not think I did, Mr. Chairman. They were very hurried interviews that I had, hurried because they hurried them, and my recollection is that they accepted my representations very quickly and with avowed confidence in the propriety and the advisability of this legislation.

Chairman WALSH. Well, outside of the general reputation which you might have in the community with which they were acquainted, had you had any other legislative matters up, or anything of that sort?

Mr. GREENE. It had been my duty for several years, Mr. Chairman, serving with the committee on experimental medicine of the State medical society, to oppose legislation which threatened if carried out to make it impossible to carry on medical research and that ostensibly for the protection of animals.

Chairman WALSH. Where did you meet Senator Wagner when you took up the question of having the State of New York charter the foundation?



Mr. GREENE. I think I met him in the majority leader's room. I am quite sure.

Chairman WALSH. At Albany?

Mr. GREENE. Yes.

Chairman WALSH. Did you have your act with you when you went to see him?

Mr. GREENE. I certainly did.

Chairman WALSH. Was he notified by anyone, or do you know, that you were coming?

Mr. GREENE. Probably. I do not recall the circumstances.

Chairman WALSH. Was there any person present when you met Senator Wagner?

Mr. GREENE. My impression is there were two or three gentlemen waiting to see him in the same room.

Chairman WALSH. Do you recollect who they were?

Mr. GREENE. No, sir.

Chairman WALSH. And you then handed him the proposed charter, which omitted all of this matter that had been put in the Federal charter, and said what to him?

Mr. GREENE. I think I told him that we had decided now to seek a charter, and that we were taking a form upon which the people of New York, the Assembly of the State of New York, had already passed, and that with the necessary changes indicating that this was the Rockefeller Foundation rather than the Sage Foundation, and so on, that it was almost identically the same bill.

Chairman WALSH. Did you have legal advice in the drafting of the bill?

Mr. GREENE. We had the advice of Mr. Murphy in drafting the bill. In fact, I think he drafted the bill.

Chairman WALSH. Mr. Starr J. Murphy drafted the bill?

Mr. GREENE. Yes.

Chairman WALSH. Did he examine it as to its constitutionality, whether or not the power under the constitution was in the legislature to grant a charter with such wide powers as had been indicated here?

Mr. GREENE. I assume that he had an opinion on that point, Mr. Chairman.

Chairman WALSH. Did you at any conference with the majority leader, with Senator Foley, regarding the incorporation of the Rockefeller Foundation, also discuss other proposed or pending legislation?

Mr. GREENE. No, sir; certainly not. I had no other relation with Senator Foley either before or after. I did write a letter when I heard the bill had passed, thanking him for his good offices in the matter, and that ended my relation.

Chairman WALSH. During the period when you were seeking a charter for the Rockefeller Foundation, did you appear before the Legislature of New York for or against any legislation affecting the public schools of New York?

Mr. GREENE. While this was pending?

Chairman WALSH. During the same legislature we will say?

Mr. GREENE. I appeared at the hearing of the McKee bills.

Chairman WALSH. What were the McKee bills?

Mr. GREENE. At that time I think the Rockefeller Foundation was already in existence. I think it was already in existence when this hearing took place. I am sure it was.

Chairman WALSH. Did you appear as a member of the General Education Board, or as a member of Mr. Rockefeller's personal staff, or in a private capacity?

Mr. GREENE. I appeared as a citizen of New York City.

Chairman WALSH. Did you make—you wrote a letter that has been read here making an explanation as to the Rockefeller Foundation to the senate, or was it to the house committee—to whom was that letter?

Mr. GREENE. That letter was sent to members of the senate, I think, upon the passage of the bill in the house by a large majority.

Chairman WALSH. Did you make any written explanation to the legislature?

Mr. GREENE. Never.

Chairman WALSH. Similar to the statements which had been sent to the Senators and Congressmen of the United States?

Mr. GREENE. No; I was quite ready to do so, and should have considered it only proper to do so, but was told it would not be necessary.

Chairman WALSH. By whom?

Mr. GREENE. By the senator in charge of the bill, I think; I can not imagine who else.

Chairman WALSH. Senator Foley?

Mr. GREENE. Yes, sir.

Chairman WALSH. Well, do you remember as a matter of fact whether it was Senator Foley or Senator Wagner?

Mr. GREENE. I think I could state with a degree of definiteness it was Senator Foley, because when I had once been introduced to Senator Foley it was he and he alone with whom I discussed any such matters as that.

Chairman WALSH. Were public notices issued at your office of the intention to introduce the bill, or as to its scope?

Mr. GREENE. No, sir.

Chairman WALSH. Was anything said by your office, any publicity given as a comparison between the charter applied for or received from the State of New York and the bill known as the Peters bill in Congress?

Mr. GREENE. No, sir; not the slightest.

Chairman WALSH. Why did you not include in the New York charter the alleged safeguards which had been publicly discussed, which according to your statement to the United States Senate had met with the cordial approval of the incorporators of the Rockefeller Foundation?

Mr. GREENE. Because we put them in in deference to a sentiment expressed in order to secure the passage of the bill, because we thought they would not materially affect the bill. They were all restrictions which Congress could at any time have put in if it found it necessary to, but which if we had had a perfectly free choice, as we did have here, we should not ourselves include at this stage in our history.

Chairman WALSH. Please state the steps that you believe would be necessary on the part of the public to secure through the legislature or through the courts an annulment or restriction of the foundation's charter; that is, just what would the public do about it if convinced that the foundation was acting against the interest and welfare of all the people?

Mr. GREENE. A lawyer would have to say, Mr. Chairman, what legal steps should be taken. I believe information can be given to the attorney general ordinarily, and the attorney general can proceed against the trustees who violate their trust.

Chairman WALSH. The point I am trying to give you, just bearing upon the study of the question of limiting such charter in advance or depending or relying upon the power to amend or nullify by the courts, have you thought of the possibility, for instance, if it fell into bad hands, of unlimited publicity by the foundation to confuse the public mind, court procedure, of delays, blandishments, promises, for example, that the courts have declared that the alteration of any charter must be reasonable, I believe, which might suggest a very long drawn out fight in the court and so forth—have you thought of all those things?

Mr. GREENE. I have thought of them more since they have been brought to our attention at this hearing, Mr. Chairman, than before, because they did not seem to me to be really very grave dangers.

Chairman WALSH. Has the constitutionality of the act ever been questioned since its passage?

Mr. GREENE. Never at our office or anywhere in any quarter, so far as I am aware of.

Chairman WALSH. The constitution of the State of New York seems to provide that the subject of an act shall be expressed in the title; that no private bill. I think it says, may be passed by the legislature which shall embrace more than one subject and that subject shall be expressed in the title. The title of the act to incorporate your foundation, it seems, reads as follows: "An act to incorporate the Rockefeller Foundation." Have you ever considered whether or not that did express the title, and whether the proposition or failure to express the subject in the title had a large part to do with the bill being passed by the legislature of New York without that consideration which the Congress of the United States gave it and to the people at that time?

Mr. GREENE. I think that makes a pretty large demand upon one's credulity, Mr. Chairman. The title of the act exactly expresses its subject, which was to create the Rockefeller Foundation, and the purpose of the Rockefeller Foundation was defined a few lines lower down; and I can not imagine anybody



who was seriously interested in that matter failing to read the description of the purpose of the foundation and observing its very wide scope.

Chairman WALSH. I probably involved too much in my question. Had the foundation considered that requirement of the constitution of New York, or had Mr. Murphy, before he drew this act?

Mr. GREENE. I do not know whether that specific point had occurred to him.

Chairman WALSH. Now, I am going to ask you some questions that I have asked heretofore, because I believe perhaps you are better equipped to answer them than some of the other witnesses. That is, as to the powers under the act of the Rockefeller Foundation, as you understand them; what the foundation, if it wished, could do? I would like to abstract the personal, of course, Mr. Greene.

Mr. GREENE. Yes; I perfectly understand that.

Chairman WALSH. And in answering you might go to the very greatest extreme of it falling into bad hands; might the foundation, if it wished, conduct a propaganda against trades-unionism?

Mr. GREENE. I can imagine it making a start in that direction; I can not imagine anything more atrocious.

Chairman WALSH. But I mean, has it the power to do it?

Mr. GREENE. I do not think it takes any special knowledge of the facts to say that—

Chairman WALSH. I am sorry to put that in, but I put these questions to you as I would put to anyone.

Mr. GREENE. Yes; I have got the opportunity of going out into the street and firing off a gun and killing somebody, if I had the gun.

Chairman WALSH. You do not think it is parallel?

Mr. GREENE. What I mean is to limit—

Chairman WALSH (interrupting). The misuse of legally granted power, to go out and kill a man?

Mr. GREENE. What I mean is liberty to do wrong, to do very great wrong, is the commonest, the very commonest attribute or corollary of complete human liberty, and persons who have intrusted to them important responsibilities have the power for a while by complete lapse of all consideration of ethics, morality, and law, of doing a lot of mischief. But it does not take any particular legal knowledge to know that.

Chairman WALSH. No; nor expert knowledge.

Mr. GREENE. No; nor expert knowledge. To that extent I am willing, with the extraordinary hypothesis that you put before me, I am willing to make an affirmative answer.

Chairman WALSH. That is, your answer is yes; that the foundation might, if it wished, conduct a propaganda against trade-unionism?

Mr. GREENE. Yes.

Chairman WALSH. Might it use its influence against the use of the union label in the publication of agencies which apply to it for funds?

Mr. GREENE. I do not like the question, Mr. Chairman.

Chairman WALSH. That is, I ought to put another question?

Mr. GREENE. I do not like any of these questions, because they suggest different types of wrongdoing which are perfectly open to a person who has a discretionary function. You might make me feel very uncomfortable by asking many questions as to what I personally might do in violation of the laws and customs and proprieties of our society. But they don't seem to me to be quite fair questions.

Chairman WALSH. Well, I am asking—

Mr. GREENE (interrupting). I hope you do not mind my saying so.

Chairman WALSH. No; I do not. Nevertheless, I have framed these questions in such a way as to give you an opportunity to answer them, and it is not done without thought, some thought, the best we are capable of, nor is it done merely to ask a question that is unfair. You have probably noted the criticisms, have you not, of persons that represent a very large number of people in the body politic—you have observed those and you note the extreme to which they go?

Mr. GREENE. Yes; I do.

Chairman WALSH. In the opinion of some of us?

Mr. GREENE. I do.

Chairman WALSH. Now, I am stating these questions not to be unfair but that you who have the information and the facility of expression, if I may say it, might make answer to them.

Mr. GREENE. I will do my best.

Chairman WALSH. So I hope you will not have understood that there is any intention to do anything unfair. Might the foundation circulate literature against workmen's compensation acts?

Mr. GREENE. It could, but it would not, because I believe compensation acts are, happen to be unanimously approved. And, moreover, I will say in answer to that further, that that type of activity is repellant, so far as I am aware, to every member of the Rockefeller Foundation.

Chairman WALSH. You say that compensation acts are unanimously approved. Have they not been adopted in States after the most bitter opposition to them and the expenditure of very great sums of money—have they not been defeated time and again before finally passed?

Mr. GREENE. I mean to say, Mr. Chairman, I think there would be no disagreement in our body as to the desirability.

Chairman WALSH. Oh, in your body?

Mr. GREENE. It is simply based on my personal impression.

Chairman WALSH. But I might perhaps pick out, in good time, pick out a number of gentlemen, the number that would fill your entire body, good men, men of honesty of purpose that do oppose workmen's compensation acts and are opposing them before legislatures to-day.

Mr. GREENE. I should say that they were violating the proprieties, if they so used their position as members of a trust, a charitable trust.

Chairman WALSH. And if they were all of one opinion, if they all thought the workmen's compensation act was to the detriment of the workman, as there is one line of thought, that he ought to be allowed to have the recourse that everyone else has, to the courts of his country, and get perhaps greater compensation than he could, if they were all of one mind and opposed it upon that philosophic and commendable ground, they could do it, could they not?

Mr. GREENE. I think they could for a time violate the proprieties of their position to that extent. But I think that they should not do so, whether they favored or opposed legislation of that kind.

Chairman WALSH. Has the foundation the power to finance institutions opposed to trade-unionism or to circulate their literature, I am asking, under its powers now?

Mr. GREENE. If such an act could come within the scope of legally charitable or eleemosynary work, that power exists.

Chairman WALSH. Could it buy advertising space to state the arguments against any legislative proposition that it thought had to do with the betterment of the welfare of mankind?

Mr. GREENE. I think it could violate the proprieties of the case for awhile in that manner.

Chairman WALSH. Of course, you understand that in the congressional act you were limited by express terms to activities along eleemosynary and philanthropic lines?

Mr. GREENE. That was sheer surplusage, Mr. Chairman, put in at the suggestion and to meet the objection of a lawyer in the Judiciary Committee of the House, rather to make the bill commend itself to the House, but not because it added anything to it. It did not add anything to the bill.

Chairman WALSH. But it was in there?

Mr. GREENE. It was in there.

Chairman WALSH. It is not in the bill that you handed to Senator Foley, which was passed?

Mr. GREENE. There were a great many other conditions. The bill that was passed was a shorter bill, but my claim is that the mere absence of those terms could not in any way alter the fact; that is, a charitable agency of this sort, like the Rockefeller Foundation, is confined to charitable work. We thought there would be no harm in putting the words in, nor could there be any good done by putting them in.

Chairman WALSH. Has Mr. King received any payment for his services except from the foundation?

Mr. GREENE. No, sir; and not a cent from the foundation except after October 1, although he was in conference with Mr. Rockefeller and the rest of us between June and October.

Chairman WALSH. Did he go to Colorado at any time?

Mr. GREENE. No, sir.

Chairman WALSH. Did he come from Canada to visit your office at your instance and request?



Mr. GREENE. Yes, sir; and that happened to be at my personal instance.

Chairman WALSH. Who paid his traveling expenses and the like?

Mr. GREENE. His traveling expenses were paid at that time by Mr. Rockefeller.

Chairman WALSH. By Mr. John D. Rockefeller, jr.

Mr. GREENE. I think so; I can not recall at this time. I really do not know, but my impression is that is correct; it would be perfectly proper, because he had not then entered into the employ of the foundation.

Chairman WALSH. The report he made as to a scheme to bring about better industrial conditions in Colorado—

Mr. GREENE (interrupting). If you will allow me, I recall more definitely now approving the payment of those bills by the foundation of all of Mr. Mackenzie King's traveling expenses.

Chairman WALSH. Could the foundation use its funds to secure private reports regarding conditions in a particular industry, or plans in a particular industry that might bring about what the owners conceived to be industrial peace?

Mr. GREENE. I think if the Rockefeller Foundation, while it was not primarily in any existing dispute, if however it had the means of injecting into that dispute, through such a man as Mr. Mackenzie King, any suggestion or series of suggestions looking toward a closer contact between the employers and employees, and a more sympathetic relation between them, that the foundation would be doing a very great service.

Chairman WALSH. On August 9 Mr. King wrote a letter submitting in substance the plan afterwards adopted by the Colorado Fuel & Iron Co.—August 6, 1914—did he not?

Mr. GREENE. Yes.

Chairman WALSH. And he has never had any connection with the Rockefeller interests except as an investigator or the head of the department of research and investigation into industrial relations?

Mr. GREENE. He has never had any other relationship to the Rockefeller Foundation than that.

Chairman WALSH. And whatever he did at that time with reference to the Colorado Fuel & Iron Co. was paid for out of the funds of the Rockefeller Foundation?

Mr. GREENE. Mr. Chairman, there is a leading quality to that question which I think justifies my saying this—

Chairman WALSH (interrupting). Very good. I put it in a leading form and direct as I could.

Mr. GREENE. I think I must explain how Mr. King entered into the situation.

Chairman WALSH. Could you answer my question first and then explain?

Mr. GREENE. It is true that while Mr. King was coming occasionally to New York to discuss the possibility of his entering into a permanent or definite relationship with the Rockefeller Foundation that on one occasion while Mr. King was in Ottawa it occurred to Mr. Rockefeller that Mr. King might be able to make a suggestion which would have a bearing on the establishment of better relationship between employers and employees in the Colorado Fuel & Iron Co., and asked him, as one man has a right to ask any other man, if he would feel like embodying on paper certain ideas he had suggested. Mr. King gratuitously and very reluctantly, because he had not had the time to elaborate the thing to his own satisfaction, sent his ideas on the subject. It was an entirely proper, and I may add a fortunate, transaction. I think we are very greatly indebted to Mr. Mackenzie King, Mr. Chairman, for the point of view which he has enabled us to put into the problem of industrial relations. It is a point of view tending distinctly toward humanity and mutual understanding.

Chairman WALSH. Suppose that his report had been of a character that you thought was—that the plan was inimicable to public welfare—would that have had an influence or not? Suppose it was radically opposed to what you conceived to be the best interest of society as a whole, do you think you would have employed Mr. King to make this study for the foundation?

Mr. GREENE. The qualifications which I should impose, if I was alone determining it, and I shall say the same for the foundation, are experience to deal with such a problem, coupled with complete integrity. I should give a man employed under those circumstances a large degree of trust and confidence. One of the last things which I should expect of such a man would be that, at

the beginning of his service, he would present in a final and conclusive form a panacea for the solution of the very things he had been employed to investigate, and had he submitted a plan in any spirit of that kind I should have thought that it could hardly be taken very seriously. And if it was, in my opinion, contrary to the best interests of capital and labor, I should have felt it was inconsistent with the proper function of an investigator, and that would not be the kind of man I could trust.

Chairman WALSH. And would you not have had the fear that it was inimicable to the public welfare?

Mr. GREENE. No. I should allow a man I trusted to go to great lengths contrary to my opinion, if I had confidence in his ability and if he knew, as did Mr. King, a thousand times more than I did on the subject.

Chairman WALSH. Is it true that at that time it was the carefully thought out and definite policy of yourself and associates to combat with the whole power of the Rockefeller fortune, the right of the independent American workman to select his own place of work, without dictation from any other person as expressed by the so-called closed-shop union, including the check-off system?

Mr. GREENE. I did not find myself, Mr. Chairman, where I had to pass judgment on that particular issue. I did believe, conscientiously, but perhaps mistakenly, that the real issue in Colorado, after the beginning of the strike, was the restoration of peace; I believed that; that that was the primary issue. I believed that if, in the course of this discussion, facts came out which showed that the operators, including those for whom as directors we were personally responsible, either before or after the strike, had done things that should not have been done, I should say I would be prepared, as a director, to assume the responsibility which a director has for the acts of the person he has chosen to represent him, and of whom he presumably approves as long as he is in his employ. In spite of that, however, I believed as a director, it was not my business nor in the public interest to discuss questions of better relations between capital and labor and the terms of future employment until the restoration of peace. That was my own belief, that it would have been a mistake; and that is the reason why I did not myself personally, although I was a new director and much in need of information, go to Colorado during the pendency of the strike.

Chairman WALSH. You have the report made by letter of date of August 6, 1914, from Mr. King to Mr. Rockefeller; you have that in mind, Mr. Greene?

Mr. GREENE. Yes, sir.

Chairman WALSH. Do you consider that that report was made to Mr. Rockefeller as the representative of his father and as an investor in the Colorado Fuel & Iron Co. or to Mr. Rockefeller in his capacity as the representative of his father and a director, a trustee of the Rockefeller Foundation?

Mr. GREENE. It had nothing whatever to do with the Rockefeller Foundation, Mr. Chairman. It was a piece of advice gratuitously given by a man whose opinion had been asked by Mr. Rockefeller with reference to his duties, undoubtedly, as a director of the Colorado Fuel & Iron Co.

Chairman WALSH. Was not he working for the foundation at the time he did it?

Mr. GREENE. No, sir.

Chairman WALSH. Was not his work——

Mr. GREENE (interrupting). But if he had been it would have made no difference. If it happened that July 1, rather than October 1, had been the date at which he began his study, and there was a chance for longer experience of that kind, I think Mr. Rockefeller should be commended rather than criticized for asking his advice, but it happens that he was not then employed by the foundation.

Chairman WALSH. Where I gathered the notion was his letter where it says: "Under those circumstances I am inclined at this time to believe that you will think I am taking the right course in not giving my whole time to the work of the foundation until October 1." Was he doing a part of the work of the foundation prior to October 1?

Mr. GREENE. No.

Chairman WALSH. Did he do anything before this work in the field of industrial relations?

Mr. GREENE. No; he meant he was going with the foundation on a full-time basis on October 1, but it did not imply that he was on part-time basis before that.



Chairman WALSH. I am going to call your attention, as I did the attention of Mr. John D. Rockefeller, jr., to some statements made by Dr. Schurman, of Cornell—

Mr. GREENE (interrupting). I heard them all. That may save the time of the commission.

Chairman WALSH. I am much obliged, but I prefer to ask the questions and put them in the record, because, no matter how accurately we think our memory may be, there may be some lapse which would be unfortunate. Might not the foundation, as suggested by Dr. Schurman, champion free trade or protection?

Mr. GREENE. I have already answered that. I think that might occur.

Chairman WALSH. Or trusts or competing concerns out of which trusts grow?

Mr. GREENE. I think it could.

Chairman WALSH. Might it not become the champion of socialism, or individualism, or the program of the Democratic or the Republican Party?

Mr. GREENE. I can conceive such things might happen.

Chairman WALSH. And might it not endow a college of a certain religious denomination?

Mr. GREENE. I do not know whether they could legally do that or not.

Chairman WALSH. Might it not subsidize any existing or any new religious denomination?

Mr. GREENE. It might find some devious method of accomplishing that end if it was ingenious enough and totally unmindful of its obligations.

Chairman WALSH. And might it not do anything, as Dr. Schurman says, and everything which its trustees think likely to effect reform or improvement in the material, economic, intellectual, artistic, religious, moral, and political conditions of the American people or of mankind?

Mr. GREENE. In the sense in which Dr. Schurman apparently means they might do it, meaning thereby a fair possibility that they would do it, I totally disagree with Dr. Schurman, whom I know and respect highly.

Chairman WALSH. If it was possessed of the legal right to do those things, would the public learn that an amendment of the charter was needed before great damage might be done in the hands of dishonest and unwise persons?

Mr. GREENE. I think the public could be trusted to look out for itself in all those respects, Mr. Chairman.

Chairman WALSH. Is there anything to prevent the doing of any or all of those things aside from the wisdom and disinterestedness and honesty of its trustees?

Mr. GREENE. Yes; the ultimate power of the legislature and the influence of public opinion.

Chairman WALSH. Mr. Rockefeller testified last week that he understood that under the laws of the State of New York the corporation—a corporation like the Rockefeller Foundation—could not reduce its incorporators below the number provided in the original charter; is that your understanding, Mr. Greene?

Mr. GREENE. I do not think Mr. Rockefeller was correct on that point; I do not think he had thought of it before; I think that is wrong.

Chairman WALSH. As a matter of fact the statute provides that may be done, that you may reduce at any meeting of the board of trustees—reduce the number below the number provided for in the original charter.

Mr. GREENE. If you say so, that is the case.

Chairman WALSH. I do not say so, and have no knowledge, and I do not think you would want to put me in that controversial position in this matter. I would like the question to be read.

Mr. GREENE. What I meant was that I assumed that was based on your information, which I have not got. That is what I meant by that remark.

Chairman WALSH. Aside from any information I may have received from any source, as a trustee of the foundation, and as a person having this power, if it does exist, what would you say about the proposition of whether or not you could meet and under the terms of your charter reduce the number of the trustees say to three?

Mr. GREENE. I think that is another one of those possibilities of which we have spoken, although that could be done of course, only by a vote of the body.

Chairman WALSH. How is your charter amended? I mean how is your constitution amended, rather?

Mr. GREENE. The constitution is amended, I think, only at a stated meeting, or meeting duly called for that purpose, and notice of the precise change having previously been sent to the members. The exact language of it I do not remember, but it is adequate.

Chairman WALSH. Has any question ever been raised as to the legality of an increase or decrease in the number of the trustees of the Rockefeller Foundation, prior to the time the question was asked of Mr. John D. Rockefeller, jr., a few days ago?

Mr. GREENE. I think not. The whole tendency of our boards is to start with a few, 7, 8, 9, or 11—11 is the present number of the Rockefeller Foundation—and gradually, as men are discovered, to increase the number. The General Education Board I think now has 17 or 18 members. We are only too glad, when we can find the sort of man we want, to associate him with us. That is our policy, but has nothing whatever to do with the legal question you have just asked. I suppose if the law says we can reduce our number to three, we could, and that is one of those extremely unwise, imprudent, and improper things which we might do, but which we would never dream of doing.

Chairman WALSH. It depends upon the honesty, in other words, the honesty and disinterestedness of the trustees, whoever they may be?

Mr. GREENE. And their common sense.

Chairman WALSH. Now, how long has the foundation been in existence? What was the date of its charter?

Mr. GREENE. May 14, 1913.

Chairman WALSH. Have you observed, from the work you have done, the necessity for any safeguards or restrictions in a charter of this kind, based upon this short experience of a year?

Mr. GREENE. No, sir; I have not. I do place great stress on the accountability to the public for our acts.

Chairman WALSH. Is there anything in the constitution or by-laws to limit compensation or limit the members who may receive compensation?

Mr. GREENE. There is something, I think, in the—in either the law or charter or constitution which limits compensation to reasonable compensation for services rendered. That would, of course, always be a matter of interpretation.

Chairman WALSH. Would you be at liberty, say, to vote a salary of \$50,000 a year to a secretary?

Mr. GREENE. I should not say so.

Chairman WALSH. Or \$10,000?

Mr. GREENE. I can not pretend to have an unbiased opinion on that point.

Chairman WALSH. Perhaps I am unfortunate in my selection of the illustration, and it was not intentional, I assure you, Mr. Greene.

Mr. GREENE. I think it should have some relation to the existing standards of compensation for the general kind of work—educational, philanthropic, or administrative.

Chairman WALSH. We have seen salaries in certain departments of activities, as commercial and otherwise, increase prodigiously during recent years.

Mr. GREENE. And also diminish since the time of the insurance scandals.

Chairman WALSH. Yes; when it was thought to have been discovered that it was a very great abuse of funds that belonged to many persons who did not have a very good chance to control them; that was found.

Do you believe there should be any limitation in your constitution or by-laws, for instance, for future generations, as to compensation to be allowed?

Mr. GREENE. As the constitution and by-laws can always be modified by the boards themselves, I do not think any restriction of that sort would have any effect, any greater validity, than the establishment of a series of precedents. I think, on the contrary, the precedents established would be the stronger safeguard against excessive salaries.

Chairman WALSH. What procedure did you take in adding to the number of the board, Mr. Greene?

Mr. GREENE. We talked over the question of possibly adding on new members. I remember the question came up as to what was the best way of perpetuating sound traditions in the board, whether they should be incorporated in statements of policies in the records, or in rules and regulations, and the prevailing opinion was that the better way was to train young men for future trustees in the responsibilities and methods of trusteeship in the foundation.

Rather curiously, the first name suggested after that determination was reached was that of President Charles W. Eliot, who was then 81 years old.



At the mention of his name there was a general agreement that it would be very fortunate if the foundation could prevail on him to serve on the board, and at the next regular meeting of the full board at which members were elected, his name was presented and he was elected. It was the same in the case of Mr. Hepburn. His name was discussed informally among the members of the board and at a special meeting of the board called for another purpose his name was put in the notice of the meeting, and I think something like two weeks' notice was given. But there was no resolution providing for increasing the number of the board and there would not be, I take it, in any case. If we should know of a good man to put on the board we would discuss the matter and elect him at the next regular meeting.

Chairman WALSH. I want to refer to your analogy made a moment ago. For how many years had those practices out of which grew the insurance scandal been in effect before any investigation was had?

Mr. GREENE. I suppose a good many years.

Chairman WALSH. What fight was made by the companies to prevent publicity of the scandal?

Mr. GREENE. You are asking me now, Mr. Chairman, about a subject which I am but very superficially informed about.

Chairman WALSH. Did the companies fight to maintain the practices, so far as your observation goes, or did they, when their attention was called to them, acquiesce?

Mr. GREENE. They may have, but it was the whole point of that movement, that those companies regarded themselves as organized solely for profit—that is what they were organized for. And men who take such a limited view of their responsibility could be expected to resist any such attempted interference with their affairs.

Chairman WALSH. Were you present when Mr. Rockefeller testified that, as a director of the Colorado Fuel & Iron Co., he could not be expected to take the time to learn the details about health condition, methods of compensation for accidents and for deaths, and so forth?

Mr. GREENE. Mr. Rockefeller's position, Mr. Chairman, is different from that of other men. It might be said to be unique, solely on account of the very mass or volume of his investments. I believe that a man who has many investments, should, as a shareholder or director, give a maximum of his personal attention without overriding or interfering with the proper exercise of their functions by his executives. I think Mr. Rockefeller has to do the next best thing; he has to surround himself with men who can help him by directly representing him on these boards, and that any legislation which makes it more difficult for him—for a man of very large wealth to have such representation, is legislation not in the public interest. It forces him either not to have any representation or the most perfunctory sort, that is, limited representation—limited by the amount of time at his disposal. Mr. Rockefeller has endeavored to have his associates aid him in conducting the affairs of these companies.

Chairman WALSH. Might I ask if you feel the same in regard to your position as one of the directors representing Mr. Rockefeller's interest in the company as you have stated?

Mr. GREENE. Yes; I do. I think it is my duty to get as well informed as possible with the conditions in the company. But I had to take them up one at a time, and I did not happen to be familiar at the outset with the affairs of the Colorado Fuel & Iron Co., but I studied its reports, and acquainted myself with its financial history and took such opportunities as I had to become acquainted with the officers in Colorado.

Chairman WALSH. Did you see the reports showing the labor conditions in Colorado and Wyoming?

Mr. GREENE. My opinion is that I did not.

Chairman WALSH. Or the financial statements that might contain anything in reference to labor conditions—did those financial statements contain anything about the labor conditions?

Mr. GREENE. Not the financial statements that I refer to.

Chairman WALSH. Did you personally see the list of alleged grievances of the miners?

Mr. GREENE. I think I have seen the list several times.

Chairman WALSH. Did you personally know the amount of the company's allowance to miners for the loss of limbs or to survivors of those who lost their lives?

Mr. GREENE. Not until I heard them read by yourself. I thought, however, it was possible to draw an unfair inference perhaps—

Chairman WALSH (interrupting). I wish, Mr. Greene, you would clear up any inference of that kind from your standpoint.

Mr. GREENE. I do not wish to understate in any way the responsibility of directors for the conditions of the companies which they manage. I do think, however, that in judging their accountability one must take into account what may be called the general standards of that business and of the community in that field. I think that a high-minded and progressive director would not be content with that standard, but I think he would not be wholly open to censure if in general he observed the standards of his time with regard to the industry in which he was interested.

My information is, with reference to the Colorado Fuel & Iron Co., that although there are many intolerable conditions which have been described here as feudal, as to which Mr. Rockefeller expressed his own disapproval, that many of those conditions have been more or less incidental to the remoteness of the region in which they occurred and the crude state of society in those remote places. I believe, in spite of those facts and the allowances made for them, that the Colorado Fuel & Iron Co. has, on the whole, done not less than its neighbors, and probably somewhat more in the direction of maintaining suitable conditions for its employees. I have satisfied myself of one thing, and that is as to the integrity and the good will of the leading officials of the company. I do not know enough yet of the actual conditions of the company to satisfy myself, or to have a right to speak or express any opinion as to the ability of their executive management, but I have heard the testimony here—the testimony read to the effect that, on the whole, considered by the standards of its neighborhood, the Colorado Fuel & Iron Co. was not the least progressive, but was perhaps the most progressive of all of the companies; and that it was amenable to suggestion from the State department of labor, and that it was perhaps a leader in welfare work for its employees.

Now, I have no particular defense to make of welfare work, and certainly no defense for welfare work as a substitute for wages, but I believe it to be true and supported by evidence before this commission, that on the whole the wages paid to the employees of the Colorado Fuel & Iron Co. have been high as compared with the standards by which that matter should be judged; that, in addition to paying wages at a time when the company was practically making no money on its stock, the officers of the company have also interested themselves in the erection of hospitals, in the maintenance of schools, and the provision for medical attendance, and that all that should be counted in their favor.

I do not like any better than the members of this commission some of the feudal aspects of that work, but the alternative undoubtedly to the providing of schools of the company would be that there should be no schools at all.

Chairman WALSH. You heard the testimony of Mr. Robert Fulton Cutting with reference to the contributions which Mr. Rockefeller had made to his organization; that was private widows' compensation?

Mr. GREENE. I heard it or read a reference to it in the newspapers, but I do not know how adequate it was.

Chairman WALSH. Well, now, in the light of that, do you believe that the allowances made to those widows in Colorado are a fair allowance to the family—to the wives and children—for the loss of the life of their father and husband?

Mr. GREENE. They seem to me, Mr. Chairman, very inadequate in amount, but I am not prepared to say that in paying anything at a time when the company was practically making no money, that they were not, in so far as they were paying, taking a step in advance. I am not prepared to say they were not.

Chairman WALSH. What allowances are made to widows in this city that are paid out of the Rockefeller Foundation?

Mr. GREENE. The very essence of that experiment is that there is no fixed amount. Each case is given careful investigation and the resources of each widow taken into account. If she has children beyond the school age, who can work, their wages are taken into account and the allowance is justly adapted to the need in each case. It was the possibility of discrimination in that way, which would be more difficult if legislation was adopted, which made it seem best to us for a number of years to carry on experiments in that regard.



Chairman WALSH. Might that policy not be adopted by the Colorado Fuel & Iron Co. in the case of the death of a father or husband?

Mr. GREENE. I think, perhaps, that would be a proper field of effort, but my belief is that those problems should be worked out like the workmen's compensation act, with reference to the economic situation.

Chairman WALSH. But would you feel that the necessities of the case were quite immediate if there were a large number of men killed in an industry per year?

Mr. GREENE. It seems to me that is one of the most striking cases of where to apply the compensation act, and I am glad one is contemplated in Colorado.

Chairman WALSH. What steps have you taken since the testimony of last week, either as a director or as administrative secretary of the Rockefeller Foundation, to have a list of accidents and compensation therefor at the Colorado mines investigated?

Mr. GREENE. It has not been incumbent upon me, as secretary of the Rockefeller Foundation, during this particular period, to consider that subject.

Chairman WALSH. Did the reading of the list of the names of the dead and injured make a deep impression upon your mind, Mr. Greene?

Mr. GREENE. It did make an impression on my mind.

Chairman WALSH. Could your foundation do something in that field? Would it be within its scope, for instance, to apply even the New York proposed plan?

Mr. GREENE. I am not sure, Mr. Chairman, that the Rockefeller Foundation should take up the work in that field over against any other equally urgent field on account of the fact that it has a bond investment there, if that is what you mean.

Chairman WALSH. On account of that fact—what I mean is, and I will put it straight—that it has a bond investment and that it has a potent and actual control over the industry?

Mr. GREENE. The Rockefeller Foundation has no potent or actual control and no control whatever, and nothing to do with the industry, Mr. Chairman.

Chairman WALSH. I perhaps did not state that correctly. I mean on the ground that the Rockefeller interests, or that Mr. Rockefeller has the power—the potential power—and the actual control over the industry, and that he is also a trustee and his representatives are trustees of the Rockefeller Foundation, so that they have the information at one side and the means at the other, and a concrete case of, perhaps, what might call for an intervention by an agency of that sort.

Mr. GREENE. I think in general, Mr. Chairman, that the Rockefeller Foundation should consider its proper field of activity without primary or secondary references to Mr. Rockefeller's business investments among which the Colorado Fuel & Iron Co. investment is but a small fraction. Moreover, I think, with reference to the situation in Colorado, that the problems there are chiefly economic rather than problems of charity—that is, the issues that have been raised by this great struggle are not issues with which, at this time, the Rockefeller Foundation is the best agency to deal, except in so far as our investigation of the general problems of industrial relations may yield material applicable either there or anywhere else to the amelioration of industrial unrest.

Chairman WALSH. If a controversy arose in any part of the world where 12,000 or 15,000 people were being subjected to strife, cold, hunger, and discomfort, would you feel that the Rockefeller Foundation should hasten to relieve that great number of people so suffering?

Mr. GREENE. I think the Rockefeller Foundation is open to appeals for emergency relief from any part of the world.

Chairman WALSH. Would the fact that there was no economic base for a war or a conflict that left the people so situated make the Rockefeller Foundation refrain from going hastily to the aid of those human beings?

Mr. GREENE. I think the Rockefeller Foundation would consider absolutely nothing but the needs on the merits of the question.

Chairman WALSH. Then, if you found, for instance, that there were great numbers—is it familiar to your mind the account of the names of the people and their injuries that were read into the record, constituting the list of 25 accidents, fatal or otherwise, in the Colorado Fuel & Iron Co.?

Mr. GREENE. Yes, sir; I remember that distinctly.

Chairman WALSH. If there was a great body of people so situated, would the fact that their injuries and suffering arose primarily from an economic

base, as in Colorado, cause the Rockefeller Foundation to hesitate to go to their relief in any way that might suggest itself as being wise and humane?

Mr. GREENE. I think they would consider the question purely as a humanitarian question. If there was such a situation in Pennsylvania and North Carolina, or anywhere else, where a certain amount of suffering was going on, I should say that the Rockefeller Foundation would not consider it as its own function to replace the local agencies which might deal with such a situation.

Chairman WALSH. But if it was widespread, like it is in Belgium, growing out of the war?

Mr. GREENE. That was a question of five or six millions of people certain to starve unless something was done and done quick.

Chairman WALSH. I used that simply as an illustration. What is the number that you would consider widespread enough disaster to call for that aid?

Mr. GREENE. I could not fix the number.

Chairman WALSH. What I want to elucidate to the commission, and want you to elucidate to them, is exactly what you mean by stating that the trouble in Colorado was economic, and should be approached along those lines?

Mr. GREENE. That the problem is not a problem or question of charity. There are certain conditions there that must be remedied by legislation partly and partly by improving the relationship between employers and labor, and perhaps by a new definition of capital on the part of the workmen and a new definition of labor on the part of capital. That is the question uppermost in Colorado. Incidentally, there may be human need of an acute sort, but not in that respect much different from that which exists in localities where we do not feel called upon to intervene, because primarily that kind of intervention should be left to the local agencies, for reasons which on the whole are consistent with those that limit the functions of such a foundation.

Chairman WALSH. Mr. Greene, you have kindly sent us a complete list of gifts which have been made by the Rockefeller Foundation from May 13 to January 1, 1915.

Mr. GREENE. Yes, sir.

Chairman WALSH. This list shows that the foundation through its own members has made 19 gifts to 13 different agencies amounting to \$1,834,000, and that through Mr. Rockefeller the foundation has made 56 gifts to 50, totaling \$3,116,000. Is that a fair epitome?

Mr. GREENE. I think so.

Chairman WALSH. Kindly explain how this list was made up before it was sent to the commission. What part did you have in the preparation of the list and the effort made to have it compiled?

Mr. GREENE. It is extracted from the minutes. It does not include the things like the investigation of industrial relations, but consists of gifts to outside agencies. It does not include appropriations for the support of our own administration and work.

Chairman WALSH. Please distinguish the nature of the bookkeeping as applied to work done for Mr. Rockefeller as compared with work done for the Rockefeller Foundation on its own initiative; is there some distinction made in your books?

Mr. GREENE. Yes. Those gifts which Mr. Rockefeller designates or indicates to us, which we call, for convenience, "Founder's requisitions," those founder's requisitions are communicated to me by John D. Rockefeller, jr., or his agent, and instructions are issued to the treasurer by me in the form of a duplicate of that requisition indorsed by me. Those gifts are assembled at each meeting of the Rockefeller Foundation board or of its executive committee—are reported by me as designations by the founder and are approved as coming within the corporate purposes of the board. As I have said to you, there are many things within the corporate purposes of the board which have personally appealed to Mr. Rockefeller, such as gifts to his denomination, gifts to the Baptist organizations, which the Rockefeller Foundation might not itself select, but which it has every reason to help on Mr. Rockefeller's recommendation; merely continuing gifts he has made in the past.

Chairman WALSH. Different gifts have been noted to government offices, for the New York Department of Health, the city superintendent of schools, the supervisor of the poor for Westchester County?

Mr. GREENE. Yes, sir.



Chairman WALSH. Do you see any possible embarrassment in such connection between the Rockefeller Foundation or any foundation and governmental agencies?

Mr. GREENE. No, sir; I feel there is great good in such gifts, because they illustrate a function these boards can fulfill to the great advantage of the public, viz, the function of initiating certain lines of public expenditure, which, if approved, ought to be taken care of by the public, but which the public will not always initiate, because it is not sufficiently certain how the experiment would work. In that way the gift, for instance, to the department of health enabled it to establish, I think, the first public diagnostic clinic for venereal disease in the world, so far as I know, at least the first in this country. It made it possible for any person or any physician to obtain a diagnosis by means of the most approved modern methods for two years, during which time this experiment was made here in New York City. And in a year when there was universal retrenchment in the city expenses that work was regarded as being so well demonstrated, and of such great public benefit, that it effected so much for the health and happiness of the citizens, that provision for it was included in the city budget of this year.

Now, I regard that as a triumph of that particular policy of a private organization, and the same is true in the case of the schools. There has been a gift to further an experiment in the matter of the feeding of the school children, a matter in which more experience is probably necessary.

The General Education Board work is another instance where there has been an admirable result. The Federal Government never felt authorized to carry on farm demonstration work except in the States affected with boll weevil, although it was just about as badly needed in the other States, on account of some constitutional limitation; but when the General Education Board had carried on farm demonstration in all the other Southern States with great advantage to those States, Congress, this last year took over the entire cost of the farm demonstration work to our complete satisfaction.

Chairman WALSH. So that from your experience you have no doubt and no embarrassment of any kind, nor do you see any that might occur in the future from carrying on work of that kind through governmental agencies?

Mr. GREENE. No, sir.

Chairman WALSH. On the contrary, you see some difficulty—

Mr. GREENE. That, I think, is going to be one of the great things that private foundations can accomplish, in taking the initiative.

Chairman WALSH. How much, all told, has the foundation given for that Belgian relief, Mr. Greene?

Mr. GREENE. It has given something like a million dollars. It has engagements involved in the appointment of our war relief commission, and they are taking on expenses in Europe of which we are informed from time to time, which will go beyond that somewhat; but I think at the present moment it is a little under \$1,000,000—more like \$950,000.

Chairman WALSH. Who made that gift, was it Mr. Rockefeller's initiative or was it made by the foundation?

Mr. GREENE. It was the intention of the foundation to go into that field, and it was voiced by every member of the board at the meeting on October 21, 1914; and the executive committee were instructed to take the matter up at once with a view to generous action. Mr. Murphy and I were made a subcommittee of the executive committee to take further action, because much had to be done, and quickly, in the way of chartering ships, etc., and what has been done subsequently has been done largely under Mr. Murphy's and my personal supervision.

Chairman WALSH. Were the Belgian gifts listed to our commission? In the questionnaire my attention has been called to the alleged fact that they are not, and I wish now to ask the reason?

Mr. GREENE. The reason is the expenditures by the foundation itself were not gifts, properly speaking. We did not send any money to Belgium, but chartered ships and bought food. I could, of course, with entire propriety—I might just as well have added that, but I took you at your word and put in the gifts to other agencies, and excluded such expenditures as Mr. Mackenzie King's work, which is not a gift, but our own work. Our relief work is not exactly a gift, but is the carrying on of humanitarian work by our staff.

Chairman WALSH. Are the dates given in your list intended to mean the dates when the appropriations were made or the dates when checks were drawn?

Mr. GREENE. Dates when appropriations were made.

Chairman WALSH. Of the 75 gifts, how many were determined upon at a full board meeting, or were they all so determined?

Mr. GREENE. That would be impossible to answer without going into every meeting; but all, of course, were determined at meetings at which a quorum was present.

Chairman WALSH. What I want to get at is whether in the actual operation of the work done it is done by the whole board of trustees or the executive committee.

Mr. GREENE. The executive committee acts with complete authority between the meetings of the board and actually determines many of the gifts; but on the more important matters—

Chairman WALSH. Oh, I see; it has been amplified a little here so I take it in fairness to you I ought to put it to you in advance.

Mr. GREENE. I see.

Chairman WALSH. Because it is more a matter of getting your attention directed to the whole subject. It seems that of 19 gifts by the foundation to 13 agencies, 5 were on dates when the board met, one when neither met, 13 when the executive committee met.

Mr. GREENE. I see.

Chairman WALSH. That is what I meant by that first question.

Mr. GREENE. It does not refer to what I may call the founder's requisitions?

Chairman WALSH. Those are the foundation's own gifts—the larger number I am going to come to next were at the direction of Mr. Rockefeller.

Mr. GREENE. That is contrary to my understanding of the record.

Chairman WALSH. Well, will you look it up?

Mr. GREENE. If you will be good enough to call my attention to the specific case.

Chairman WALSH. Yes; I will. Now, your written record seems to show that of 56 gifts through 49 agencies at the direction of Mr. Rockefeller, one was made on the date of the board meeting; 47 when no meeting is recorded for either the board or committee meeting. Is that according to the accepted practice of the foundation?

Mr. GREENE. Yes; those gifts for purposes obviously within the corporate objects of the foundation are made by the treasurer on my authorization and subject, of course, to repudiation by the executive committee at its next meeting; but those gifts are made by the treasurer on my authorization; that is, with the complete understanding of the board, of course.

Chairman WALSH. The foundation has been working since the middle of May, 1913, has it not?

Mr. GREENE. It can hardly be said to have been working since then, but to have been in existence since then.

Chairman WALSH. The earliest gift recorded is December 5, 1913. Did the foundation spend no money between May and December except for administration purposes?

Mr. GREENE. I have no doubt that is so. It seems to me that we should be very well justified, perhaps, in spending even a longer time in deciding what we were going to do with so large an income; I think we should have been justified in accumulating the whole income for a year, in order to go very slow in the determination of our policies.

Chairman WALSH. About how much time was spent in investigating the 13 agencies which the foundation has, of its own mind, without Mr. Rockefeller's recommendation, given money to?

Mr. GREENE. Well, I should say a great deal of time. I could not possibly measure it.

Chairman WALSH. Could you tell who did the investigating—what individuals?

Mr. GREENE. Of the applications which come to us?

Chairman WALSH. Yes, sir.

Mr. GREENE. I should think that Mr. Murphy and I did the most in the way of assembling the information, and passing judgment on the various representations made to us; and that Mr. Rockefeller, jr., came next.

Chairman WALSH. It has been extended beyond what I intended, and I am going to run through with some generalizations which I think you can answer very briefly, Mr. Greene, regarding large foundations in general. Under what conditions do you consider that endowed corporations might become a menace to education or to the industry and welfare of the masses?



Mr. GREENE. I think they might become a menace if they departed from the relationship which I laid down or described in my statement of yesterday; that is, by having a continuing indefinite relationship to such organizations.

Chairman WALSH. Has Mr. Rockefeller, yourself, or the trustees recognized any dangers in connection with the future foundations established by him of such moment or such immediacy, as you might call it, to call for some action upon their part?

Mr. GREENE. No, sir; we have not.

Chairman WALSH. Do you feel that the present safeguards give adequate assurance that the various Rockefeller foundations will never become a menace?

Mr. GREENE. I hope so.

Chairman WALSH. What means have been provided by which the public would promptly know in case one of the Rockefeller foundations was being used, whether knowingly or unknowingly, against the public interest?

Mr. GREENE. All our actions nearly are public; that is, when we make a gift to an agency, usually it is published at the other end, whether we publish it at our end or not. The essential publicity of those gifts, the large number of persons who know what is going on, seems to me to constitute a safeguard.

Chairman WALSH. Do you feel that the size of endowments should be limited either by the State or the national law—the endowment of a foundation?

Mr. GREENE. I do not, Mr. Chairman, because I do not want to see any obstruction put on the disposition of rich men to dedicate their money to the public welfare. I think it would be a great misfortune to have anything said here or in any other connection which tended to make a rich man who was going to dedicate money to the public say: "No; that will get me in for a lot of trouble, and I will blow it in on myself." I think nothing should be done which would tend to make men of wealth less inclined to dedicate their money to the public good.

Chairman WALSH. Should foundations be required to consume their income, or be prohibited from showing an increase in capital out of income accruals for a stated period of five or ten years?

Mr. GREENE. I think the urgent things needing to be done are so much in excess of any income that that question is rather academic. If any abuse threatened in that direction, I should be entirely in favor of such limitation. It is possible the foundation might want to accumulate an income for a year or two in anticipation of some very large appropriation, but ordinarily I should consider that a wholly theoretical and academic question.

Chairman WALSH. Should the payment of foundation funds to members of governing boards be prohibited or specifically restricted in the act of incorporation?

Mr. GREENE. I think there should be a restriction to reasonable compensation for services rendered.

Chairman WALSH. Is that in the act itself?

Mr. GREENE. I do not recall exactly, but it is in our fundamental law somewhere.

Chairman WALSH. Should the legislature or Congress prescribe minimum qualifications for trustees or prescribe that qualifications be stated in the record?

Mr. GREENE. I should find it almost impossible to imagine any formal qualification which would be desirable to which legislative sanction could be given. My answer therefore would have to be in the negative.

Chairman WALSH. Should benevolent corporations be required by their incorporating acts to report both fiscal and service operations to officers of the State or national government which incorporate them, as required by such State or national officers?

Mr. GREENE. Yes.

Chairman WALSH. How often should such reports be rendered?

Mr. GREENE. At least once a year.

Chairman WALSH. Should the records of foundations incorporated by the legislature or Congress be open to public inspection as are the records of public officers?

Mr. GREENE. I should feel doubtful on that point. I think that they should be accessible to well-qualified persons. I think they should not be public because, as Mr. Rockefeller pointed out in his testimony, unfavorable action on many applications is often taken for reasons not at all derogatory to the applicant, and it might have a very injurious effect. We are obliged constantly to decline to take up many charitable activities which merit support. And if

it was known that we declined to aid them it might be thought that that was some reflection upon them.

Chairman WALSH. Could you suggest any other limitation that you think should be placed upon—at least partial public inspection of the records of the foundation?

Mr. GREENE. No; I can not suggest any specific measure of that sort. I should be perfectly willing to have the published report made twice a year or quarterly. I think those reports should not be so frequent as to be vexatious and interfere with the work of the foundation; but anything that seemed to be a reasonable published report—reasonably frequent public report—should be made yearly, semiannually, or quarterly.

Chairman WALSH. Should trustees be expected to inform themselves as to the qualifications of their investigators?

Mr. GREENE. They certainly should.

Chairman WALSH. Would you say that an officer of one of the large foundations carries the weight of the foundation rather than his own personal weight when he participates in the local activities within the field of the foundation's program? For instance, do you think his word would carry more weight along these governmental lines that we have mentioned than that of an individual?

Mr. GREENE. I think that is a factor we must undoubtedly take into account, that he can not wholly disassociate himself. That is often a great detriment, but a member of a foundation, feeling an interest in certain matters as any other citizen is just as much entitled as any other citizen to express his opinion, though he may feel a little more hesitation on that account. But I do not think that should be any reason for inaction. As a citizen, I think he should participate actively in public affairs.

Chairman WALSH. At this point we will adjourn until 2 o'clock p. m. Kindly resume the stand at that time, Mr. Greene. I think I am about through, but others may have some questions.

AFTERNOON SESSION—2 P. M.

Chairman WALSH. The house will please be in order and we will proceed.  
Mr. Greene.

TESTIMONY OF MR. JEROME D. GREENE—Continued.

Chairman WALSH. Commissioner Weinstock says he has some questions he would like to ask.

Commissioner WEINSTOCK. Will you tell this commission, Mr. Greene, how many of the directors of the Rockefeller Foundation are interested in the Colorado Fuel & Iron Co.?

Mr. GREENE. Mr. John D. Rockefeller jr., and Mr. Starr J. Murphy are now directors of that company. I was until January 1.

Commissioner WEINSTOCK. What control has the Rockefeller Foundation over the Colorado Fuel & Iron Co.?

Mr. GREENE. None whatever. Did you say what interest?

Mr. WEINSTOCK. Yes; the foundation as a foundation.

Mr. GREENE. It has a bond investment in the bonds of the Colorado Industrial Co. to the amount of \$1,600,000.

Commissioner WEINSTOCK. That is in the nature of an investment?

Mr. GREENE. That is in the nature of an investment.

Commissioner WEINSTOCK. That is a little over 1 per cent of its gross holdings; that is, the gross holdings of the foundation are \$100,000,000?

Mr. GREENE. Yes.

Commissioner WEINSTOCK. And out of that \$100,000,000 is \$1,600,000 investment on the part of the Colorado Fuel & Iron Co.?

Mr. GREENE. Yes. Mr. Costigan yesterday stated that we had other interests in Colorado to the extent of about \$10,000,000. Of course he was counting for Colorado, I suppose, every railroad security of a railroad that passes through Colorado, but I think that was perhaps somewhat straining the meaning of the words that our real interests there, investment interests, were something very far short of the figure Mr. Costigan named.

Commissioner WEINSTOCK. What power, if any, has the Rockefeller Foundation, or rather the board of directors of the Rockefeller Foundation, in controlling or guiding or directing the Colorado Fuel & Iron Co.?



Mr. GREENE. It has no interest whatever, Mr. Weinstock. If the identity of interest in the sense that Mr. Rockefeller and Mr. Murphy are members of both has any bearing on the situation, I should hope that it would mean, as to the future policies of the Colorado Fuel & Iron Co., if there were any effect, it would be an effect in which the general humane interest of that body of men—the foundation—was a factor. It certainly would go in that direction rather than in a contrary direction.

I can not imagine how the fact that nine-tenths of the time of those gentlemen was spent in very earnest consideration of how best to fulfill their functions as trustees of the Rockefeller Foundation would have an adverse effect on their judgment as directors of an industrial corporation. May I say one thing more, however, with reference to that point? A good deal of reference has been made to the Colorado Fuel & Iron Co., as if Mr. John D. Rockefeller were in business there. It is true that that is one exceptional case in which largely on account of fortuitous circumstances he had an interest to an amount which justified his standing by the property, so to speak, during a building-up period, in order to place it upon a firm financial basis. That process has been going on. There are very few instances wherein Mr. Rockefeller can be said to be in business in that sense. He has retired from business, and so far as I know it is not the intention of Mr. Rockefeller, or Mr. Rockefeller, jr., or Mr. Murphy, or any other member of the foundation, to go into business or to keep in business in the sense that has been attributed to their connection with the Colorado Fuel & Iron Co.

I might call it almost an accidental condition. I recall only one or two companies in which Mr. Rockefeller may be said to be standing by the property, with all that that means, for its financial stability during a period when it is gradually being worked up on to a strong financial basis, and his mere standing by, I think, in some instances is a matter of tremendous value to a large body of small stockholders whose interests are thus safeguarded. But it is an accidental relation.

Commissioner WEINSTOCK. If the directorate of the Rockefeller Foundation has no control and no influence over the Colorado Fuel & Iron Co., what foundation was there, then, yesterday for this statement made on the part of Mr. Costigan. I read from his testimony. He said: "The Rockefeller Foundation, if I am correctly advised, and if I understood Mr. Rockefeller correctly the other day, was incorporated in the State of New York in 1913 for the dissemination of knowledge, the prevention of suffering, and the promotion of the well-being and the civilization of the people of the United States and of the world."

"Practically within a year after this incorporation its promoters had the responsibility properly laid at their very door for a record of total failure along each of the designated lines of activity. They, or at least those most influential in the foundation, had sanctioned or permitted the spread of misinformation on matters of public importance of the first degree, the concrete enlargement of human misery, and an unmistakable lapse from just living human standards entirely at variance with our boasted civilization."

While this does not say so directly, yet it leaves the very pronounced inference that the situation in mind on the part of Mr. Costigan was the Colorado situation.

Mr. GREENE. In so far as the statement implies that the Rockefeller Foundation, a new organization, born hardly over a year ago, is a factor in the Colorado situation, it is absolutely false and unjust.

Commissioner WEINSTOCK. Pardon me; he goes on further to say:

"In a great human crisis, industrially speaking, precipitated within the very household of Mr. Rockefeller, his foundation has been heedless or impotent. And the conclusion forced on an unprejudiced public has been and is that Mr. Rockefeller, the business man, has cold heartedly and without hesitation brushed aside and imposed silence upon Mr. Rockefeller the philanthropist."

Mr. GREENE. I hardly care to debate that assertion, Mr. Weinstock. It was made by a gentleman who, however well informed with regard to general conditions in Colorado, was delivering here as a witness material which was the summing up of an attorney rather than the statement of a man, of facts of his own knowledge. And I should rather not be drawn into a debate as to those assertions.

In saying that the Rockefeller Foundation is not concerned with the situation, and has not been concerned with the situation in Colorado, I think I have said all that it is incumbent upon me to say.

Commissioner WEINSTOCK. Then, from your point of view there was no foundation for Mr. Costigan's statement?

Mr. GREENE. I think it was unjust, Mr. Weinstock.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. Commissioner Garretson would like to ask some questions.

Commissioner GARRETSON. Mr. Greene, according to your statement, continuity of gifts or aid continuously given, might tend to create a spirit of subserviency on the part of the receiver?

Mr. GREENE. It seems to me so.

Commissioner GARRETSON. And then you followed with the statement that in some directions you had given for a period of 10 or 15 years?

Mr. GREENE. Yes; we have made some pledges, I think, for 10 years. So far as I know, none for longer than 10 years.

Commissioner GARRETSON. I think the language used was 10 or 15 years. I only want to quote that correctly.

Mr. GREENE. Yes.

Commissioner GARRETSON. Now, isn't the very thing that you say might be brought about by continuous performance reasonably engendered by a period of continuity of 10 years?

Mr. GREENE. I think not where the purpose of the gift, as is usually the case, is that of initiating or demonstrating a line of activity which the public has not yet fully decided to support. The purpose of the Rockefeller Foundation has not been and is not primarily to do the community's work for it. A self-respecting community, like a self-respecting individual, rather prefers to do its own work; but a community will accept the function, it seems, of such an organization as the Rockefeller Foundation in the way of experiment and demonstration.

As to local charities in the State which created the Rockefeller Foundation, a slightly different situation arises, because the foundation may be considered to be, in a sense, a citizen of that State, and to have certain obligations of citizenship to support charities and other obligations. That danger might arise under those conditions; but there is no more constantly pressing consideration in our minds than that of not creating a condition of dependence upon the foundation which will prevent the community from having the right sense of its own obligation. That sense on our part is often considered a hardship by persons who think we have plenty of money and who have difficulty in raising funds themselves, and who would much prefer to have us do the whole thing. You would be surprised, I think, at the number of times we are asked to assume the whole load, and we decline to do so.

Commissioner GARRETSON. If it is the settled belief and policy of the foundation to inculcate self-respect in the community and to encourage the community to assume those burdens that are properly its own, is not the corollary of that that you should also breed it in the individual in exactly the same degree and follow a policy that is liable to go against the paternalism theory of the employer wherever you find it?

Mr. GREENE. But the Rockefeller Foundation does not make gifts to individuals.

Commissioner GARRETSON. I am not speaking of gifts at all; but will not the inculcating of an independent spirit lead to an attitude which does inculcate that?

Mr. GREENE. By what means?

Commissioner GARRETSON. By every means legitimately within its power. In other words, that is the exact doctrine that men associated together in trade-unions stand for—that is, the breeding of self-respect and the assertion of right on the part of the man to certain things and not to be given to him as a dole.

Mr. GREENE. Yes.

Commissioner GARRETSON. The idea is the same and the opportunity is the same.

Mr. GREENE. Yes; and in so far as that idea exists, it seems to me one which is entirely consistent with our ideas and should have our moral support.

Commissioner GARRETSON. Now, following up the idea of continuity of gifts and, in line with your own testimony in some respects, as to what might take place under a pernicious management at some time in the future if the foundation entered upon a steady campaign, great reference has been made to public



opinion as a regulating power and as a correcting power. If they started out under the educational system with a plan of teachers' pensions and other methods recognized as legitimate, if legitimately applied, of affecting and controlling the whole corps of teachers extending from the kindergarten to the higher collegiate institution, pensions for all classes of instructors, with a steady campaign of that kind conducted for a generation, what would be the condition of public opinion at the end of that generation? Would it be a natural or an artificial public opinion fostered and created by the very influence—

MR. GREENE. I think very likely it would be artificial; but it requires an expenditure of a sum of money compared with which the capital of the Rockefeller Foundation would be only a small fraction.

Commissioner GARRETSON. Then the pernicious foundation would be limited only by the amount of money at its disposal in carrying out a propaganda of that kind?

MR. GREENE. Assuming that it was carrying such propaganda?

Commissioner GARRETSON. Certainly.

MR. GREENE. It would certainly—the experience of pensioning agencies shows that even for higher education the resources likely to come to any one giving institution or foundation are going to be very inadequate to come anywhere near dealing with that problem. So it is an academic question, wholly outside of the range of possibility, I should say, as to any extensive use of the funds of the foundation for that purpose.

Commissioner GARRETSON. In your opinion, has there at any time been an influence of that kind exercised either on the press or the pulpit or any form of education that has had that effect?

MR. GREENE. Influence—

Commissioner GARRETSON. Financial influences.

MR. GREENE. So far as I have observed, none that has had any evil effect. I think there has been great pressure brought to bear to improve some of the minimum standards of school efficiency—minimum standards for admission to college—which has enormously improved education throughout the United States—not by specifying doctrines to be taught, but by holding communities up, perhaps, to a standard—a very moderate standard—and thus inciting the members of the communities affected to put a pressure on their own fellow citizens, which has resulted in a great improvement of education in the United States.

Commissioner GARRETSON. Assuming that public opinion in the United States is absolutely uninfluenced by any man, what has public opinion as evidenced either by court action or legislative enactment really accomplished in the way of creating activities, pernicious or other, according to the opinion of any great corporation on this continent—industrial corporation?

MR. GREENE. I should say that one had only to keep his ears and eyes open and to have been a person of average intelligence living in the United States in the last 15 years to see that public opinion had had an enormous influence in changing the whole attitude of the persons who were carrying on business in this country.

Commissioner GARRETSON. Has it curbed actual activities in any actual direction?

MR. GREENE. It seems so to me.

Commissioner GARRETSON. Legislative or court?

MR. GREENE. It seems to me so. The whole ethics of business, it seems to me, has had a great change during the last 15 years. As Mr. Eliot testified, a great many things used to be done by men who now frankly admit them, but who say they would not dream now of doing any such thing.

Commissioner GARRETSON. That is ethics; but neither legislative nor court procedure.

MR. GREENE. No; but—

Commissioner GARRETSON (interrupting.) If the ethics have been bettered, that is one thing; but what practical result in the way of creating those activities has taken place.

MR. GREENE. That would require a greater familiarity with the recent legislation than I have, and I am not a competent person to speak on that point. My impression, however, is very strong that desirable legislation has taken place along those lines.

Commissioner GARRETSON. Now, going over to another feature, have you any personal familiarity with the Lemieux Act, as it is called?

Mr. GREENE. I have read it through, I think, several times.

Commissioner GARRETSON. Well, its practical workings in Canadian industry—that is a Canadian industrial act.

Mr. GREENE. No; I have not studied its practical application in relation to strikes and threatened strikes as to which it has been used.

Commissioner GARRETSON. Well, are you aware as to whether or not it has been conformed to or has been absolutely disregarded by both interests?

Mr. GREENE. I am not aware as to the extent to which it has been followed. I am aware that it has been the means of preventing strikes which would have been disastrous to the general public on some occasions—by information. I could not tell you.

Commissioner GARRETSON. Have you studied any as to what its effect had been in destroying the power of labor unions and paralyzing that power?

Mr. GREENE. I do not see, Mr. Garretson, how it could paralyze them in any legitimate activity, because what the act calls for is to withhold aggressive action, leading to strike or lockout, until there has been an opportunity for the public to get the facts. I do not see how anybody could complain of that.

Commissioner GARRETSON. Are you aware of the fact that the employer has provenly in scores of instances used that interval to fortify himself against the impending struggle?

Mr. GREENE. Fortify himself in what way, do you mean?

Commissioner GARRETSON. By preparing and hiring men to take the places of the men who threaten to leave his service, and other—

Mr. GREENE (interrupting). I suppose those facts among others would become public, would they not?

Commissioner GARRETSON. They are notoriously public.

Mr. GREENE. That is the result that I should hope would occur.

Commissioner GARRETSON. They are notoriously public. You have never heard of them?

Mr. GREENE. I have heard of the fact that the act has not in all instances applied in the way in which it was hoped, but as a contribution to industrial peace through the greater publicity of the acts of both employers and employees, I think it is a significant contribution. I do not think anyone would deny that.

Commissioner GARRETSON. Referring to publicity, what is the difference between a system of publicity that buys the space in a newspaper through paying the money for a place in its advertising columns, or using methods to influence editorial columns, or using what are called the frank, open publicity systems, provided the two were arranged for putting across exactly the same fact or misstatement of fact?

Mr. GREENE. All the difference between a deceptive or dishonest method and a frank, open, and honest method.

Commissioner GARRETSON. Then a frank misstatement of the fact is desirable and a hidden method of putting out a misstatement of fact is undesirable?

Mr. GREENE. Yes; because the responsibility is fixed by the statement that it is put out by authority, is put out to be knocked down by anybody who has got the fact to knock it down with.

Commissioner GARRETSON. Then the dissemination of untruth, if done openly and by a responsible person, is not subject to criticism?

Mr. GREENE. If done in good faith it is subject to criticism possibly on grounds of judgment or want of intelligence; but it is not open to criticism on the ground of honesty. The reason why the indirect method of publicity is not as desirable as the direct is that the indirect method makes use of a blind or shield and any artificial prestige which the journal, magazine, or editorial column may give in addition to the intrinsic merit of the proposition which is being supported.

Commissioner GARRETSON. Then an open statement that it is the truth, the whole truth, and nothing but the truth, when in fact it is only a fraction of a truth, is the proper method of presenting it?

Mr. GREENE. We are all under obligations to try to get the whole truth and state the whole truth; and any failure to take reasonable precaution to get the whole truth in a statement that purports to be the whole truth can not be too severely censured.

Commissioner GARRETSON. You referred to certain feudal characteristics in the conduct of affairs in Colorado as a necessity in a crude community. Is not what constitutes a crude community largely a matter of opinion?

Mr. GREENE. I think I did not state that perhaps. I did not make the sweeping general statement that they were a necessity in crude communities. They seem to be necessary under certain conditions of society in order to supply con-



veniences or facilities of education, or what not, which would otherwise not be obtained.

Commissioner GARRETSON. Why should they not be obtained in such communities?

Mr. GREENE. Presumably, they would be provided by the corporation only because they were not provided, or would not be provided, in any other way. Where that is not true it certainly would not be justifiable.

Commissioner GARRETSON. Does an obligation rest upon the State to furnish certain of those?

Mr. GREENE. I think the obligation rests primarily upon the State, and it reflects upon the State that that issue should arise. Although I think there is a feeling that as the corporation is presumably getting a profit from its operations, it should, through the incidence of taxation, be paying a substantial part of the costs. But I think the State should assume the function.

Commissioner GARRETSON. But if on the other hand the corporation is evading the payment of proper taxes through influence it exerts—

Mr. GREENE (interrupting). Of course—

Commissioner GARRETSON (interrupting). Over the taxing powers—

Mr. GREENE. That is absolutely abhorrent to any decent man.

Commissioner GARRETSON. Have you ever made any investigation to find out whether or not the companies that perform this—that on account of this system of feudalism are evading any of those responsibilities, Mr. Greene?

Mr. GREENE. Oh, it is possible.

Commissioner GARRETSON. I say have you made any investigation?

Mr. GREENE. I have not made any investigation.

Commissioner GARRETSON. Would you consider that a proper thing for investigation by a director of that corporation—which you are not now?

Mr. GREENE. I should feel that it was entirely a proper subject of investigation. It is one of those things which, with the proper degree of contact between the director and the officers of the company and the property, would become a matter of knowledge to be observed—it would be observed. That state of affairs would become known, if there was the proper amount of contact.

Commissioner GARRETSON. If a director knew he could not evade the responsibility for the pernicious form of action, would it?

Mr. GREENE. The question as to his precise responsibility for it and the reasonable efforts which he should make to prevent such a state of affairs would be another question that I should not be able to pass upon without knowing the facts.

Commissioner GARRETSON. I am not talking about the degree of responsibility, but there would be responsibility there?

Mr. GREENE. Certainly.

Commissioner GARRETSON. Going back to this question of interlocking directors, the question of interlocking directorates has only been dealt with by the foundation in its reports from the standpoint of interlocking among the various institutions that are gathered in the general group?

Mr. GREENE. Yes.

Commissioner GARRETSON. Carrying it further into its ordinary meaning as applied to-day, as between an institution like the foundation and large industrial corporations, there is very little of it at present in that direction; but if it existed, if men who were in charge as directors of those large enterprises, were likewise directors of the foundation, do you believe the man whose moral sense permitted him to exploit the public in his business could dissociate himself and that that moral sense would rise up and dominate his vote in the foundation on an entirely different basis?

Mr. GREENE. I think that kind of a man would be wholly unfit to be a member of a foundation. I think that as a practical matter it is a good thing for charitable corporations to have on their boards of directors men of affairs. I should not specify that they necessarily needed to be directors of corporations, but they might frequently be such. I think that they are likely perhaps to be men of more practical vision than men whose lives are exclusively devoted to philanthropy, because I think there is always a tendency on the part of those of us who are dealing wholly with philanthropy to become perhaps a little theoretical, perhaps a little sentimental, not sufficiently practical, and that it is of advantage to have men of affairs associated with us. I think that in the case of an executive like myself, whose whole time is supposed to be devoted to the foundation, it would be a mistake for such an executive to hold exacting directorships.

Commissioner GARRETSON. Then you believe that a man who conducted a business on what might be termed an unmoral basis that the moral could not dominate him altogether in the other connection?

Mr. GREENE. A man of that sort I should not seek as a colleague in the Rockefeller Foundation.

Commissioner GARRETSON. Do you believe from your own experience, Mr. Greene, that a man of strongly dominant character being the founder of an institution like this, that men can be associated with him in the conduct thereof without being compelled to bow to the dominancy of the individual himself, if it is asserted?

Mr. GREENE. I think it is possible. There is no use blinking the fact when a man's salary is paid from a certain source it has just this degree of significance: His tenure is dependent upon his giving satisfaction to his employer, and there are men perhaps of a type such that that would mean subservience. I happen to know that Mr. Rockefeller has no use for a man of that type whatsoever. I have never known, with the exception of President Eliot, a man with whom I have been associated who is more completely dominated by the idea of coming to his decisions by conference and consultation on the part of men who he thinks will be independent and fearless in the expression of their opinions. He does not care where a suggestion comes from. He is perfectly willing to reverse his own opinion the next minute, even if the office boy or anybody else suggests the idea, which on its intrinsic merits is better than the idea which he previously followed. That happens to be his characteristic. I think it is a most fortunate one, and, in fact, most people would not be content to be associated with a man who conducted his affairs differently.

Commissioner GARRETSON. Then that very influence does reach not only from the immediate circle of those in contact with the founder, but on the application of the same principle would reach as far as the benefactions went, provided they entered in any degree into the same set of human feelings?

Mr. GREENE. There is always the possibility, it seems to me, of setting up a relationship of undue subservency. We can only guard ourselves from it by care and good judgment in the exercise of our function.

Commissioner GARRETSON. Then, in every criticism that has been made, first, against the existence of foundations, and, second, against the menace that they might present once you grant the premise that it might fall in the future into evil hands, your own testimony has confirmed the attitude of those who have seen the menace there if that condition did exist?

Mr. GREENE. I do not resent in the slightest degree the suggestion that there might be a menace. Foundations of this type are rather new, although endowments are not new, and any public-spirited citizen is entitled to the full expression of his views on the subject, and the suggestion that they might be a menace a priori by no means ought to be dismissed in an off-hand way; I should think that that question was one in which nobody could be more interested than we are, because, after all, we are limited by the tenure of our lives, and we have some interest in the carrying on of the foundation into the future.

Commissioner GARRETSON. Just one more question, and this is of a practical nature. I do not know whether you will care to express an opinion upon it or not. I do not know whether your investigations have ever taught you anything of the attitude of the lower official strata in an industrial corporation; that is, the bosses who come directly in contact with the men. Have you ever had occasion to notice how thoroughly that class of officials, the miners, reflect the attitude and opinion of the head of the industry?

Mr. GREENE. I think they often do reflect the attitude and opinion of that head. I think sometimes also they fail to reflect it, and that men coming up from the laboring class into positions of responsibility for which they are not accustomed are often more likely to be martinets to the men under them than the owners of the property would have any idea of.

Commissioner GARRETSON. There is no doubt. I think that is true. What I desire to bring out more fully is this: Your idea is exactly that that was embodied in the old slaveholding theory, that a negro made a worse taskmaster?

Mr. GREENE. I wouldn't say that as a general reflection on such men, because I have been told, on what I think is good authority, that that is a danger which has been kept in view in the corporation with which I am connected, with which I have been connected.

Commissioner GARRETSON. Now, speaking of this phase of it, that there is an immense power lies for either good or evil in the full expressed attitude of the head of a corporation as reflected by the downstairs boss?



Mr. GREENE. I think so. I think it is apparent in everything. It is apparent in the public-service corporations, where an attitude of indifference to the welfare of the public is expressed right away by the behavior of the lowest employee in his contact with the public, and if the head of the company is attentive to the public interest and is himself courteous and open in his relations you see at once a difference in every rank of employee in relation to the public.

Commissioner GARRETSON. Then, if for any reason the head of the corporation, the executive head, had seen fit to change his opinion in regard to certain matters in the conduct as to what he considered desirable in the conduct of a business affecting the personal relation, no greater agency for its successful carrying out could be utilized than the full operation of that change to that class of men?

Mr. GREENE. I think that all of us, if we, to use the expression that you used yourself the other day, "grow in grace," we shall probably exercise a better influence upon such organization as we happen to be connected with, and that any improvement or change such as you suggest would tend to be reflected in the conduct of the business.

Commissioner GARRETSON. In that case open confession would not only be good for the soul, but would be good for the other fellow's body?

Mr. GREENE. I should think it would be good for everybody.

Commissioner GARRETSON. That is all.

Chairman WALSH. How often do you see Mr. John D. Rockefeller, sr.?

Mr. GREENE. Very rarely.

Chairman WALSH. Is it true that Mr. Gates, who formerly had charge of these activities, did not see him for eight years at one time?

Mr. GREENE. I do not know whether it is true or not. That surprises me.

Chairman WALSH. Have you heard that statement made?

Mr. GREENE. Have I heard that statement made?

Chairman WALSH. Have you heard it made before?

Mr. GREENE. I think not.

Chairman WALSH. You say very rarely. I would like you to state just about how frequently do you see him. Do you see him as much as once a week?

Mr. GREENE. I think I have seen Mr. John D. Rockefeller, sr., twice in the last five years.

Chairman WALSH. Twice in the last five years?

Mr. GREENE. Yes, sir.

Chairman WALSH. What period of time—

Mr. GREENE (interrupting). And never at a meeting of the Rockefeller Foundation.

Chairman WALSH. Never at a meeting of the Rockefeller Foundation?

Mr. GREENE. No, sir.

Chairman WALSH. Well, where do you gather this view that you have just given of Mr. Rockefeller, sr.? Was it prior to five years ago, or during those two visits, or through some one else, or how?

Mr. GREENE. It was through the policies of his associates, which I knew to be policies in which—in the making of which he had had a very important part. Of course, largely through my intimate association with Mr. John D. Rockefeller, jr. But it was to that extent secondhand acquaintance. It has been confirmed by a visit of some weeks with Mr. Rockefeller last year, in which I had a good opportunity to verify my impression.

Chairman WALSH. Your statement about accepting suggestions that grew out of a conference with the office boy is a mere statement of what other persons connected with him or tradition, as it were, of his life?

Mr. GREENE. My statement had reference to Mr. John D. Rockefeller, jr. I have no right to extend it to Mr. Rockefeller, sr.

Chairman WALSH. How often has Mr. Ivy Lee seen John D. Rockefeller, sr., if you know?

Mr. GREENE. I do not happen to know, but I think probably two or three times.

Chairman WALSH. He has seen him, though?

Mr. GREENE. I think it has been testified to here.

Chairman WALSH. How about Mr. Starr J. Murphy; how often does he see Mr. Rockefeller, sr.?

Mr. GREENE. Mr. Murphy is Mr. Rockefeller's personal counsel, and has frequently been in conference with him, but how often I could not say. But I should suppose many times a year.

Chairman WALSH. You are on the personal staff of John D. Rockefeller, sr.?

Mr. GREENE. I was.

Chairman WALSH. And the duties of the staff were to advise Mr. Rockefeller about investments? How did you advise with him?

Mr. GREENE. With the committee, as he called it, we formulated our recommendation.

Chairman WALSH. In writing?

Mr. GREENE. Often in writing and often transmitted through Mr. John D. Rockefeller, jr., for him to pass upon.

Chairman WALSH. And Mr. Mackenzie King, how often has he seen Mr. Rockefeller, more than once, Mr. Rockefeller, sr.?

Mr. GREENE. I do not know, sir. I think he has seen him once. I am not sure whether he has seen him twice or not.

Chairman WALSH. The reason I asked you about Mr. Gates was that it had been stated to one of our investigators—and I want you to know that—

Mr. GREENE. Yes.

Chairman WALSH. That is the reason I asked you the question.

Mr. GREENE. It is quite possible.

Chairman WALSH. Mr. Gates stated himself, while he was the personal adviser of John D. Rockefeller, sr., attending to those various activities, that he had not seen him for eight years at one period.

Mr. GREENE. Mr. Rockefeller, sr., has been in retirement from active participation in business for about 15 years. I think it is about 15 years, and it is quite possible that during those 15 years eight years elapsed during which Mr. Gates's communications were made wholly in writing or through the medium of Mr. John D. Rockefeller, jr. That is quite conceivable. May I make one other statement, very briefly?

Chairman WALSH. Yes. If you will kindly hold it over until I ask you a few questions, then you may make it.

Mr. GREENE. Certainly.

Chairman WALSH. Have you ever conducted any investigation along any of the lines planned by the foundation?

Mr. GREENE. No.

Chairman WALSH. Have you ever supervised any?

Mr. GREENE. May I follow that by saying—

Chairman WALSH. Certainly; make any explanation you desire.

Mr. GREENE. The Rockefeller Foundation has not planned many things yet. It has planned this investigation in industrial relations.

Chairman WALSH. Did you ever—

Mr. GREENE (interrupting). I have never made a study of industrial relations.

Chairman WALSH. Have you ever supervised any such investigation as is planned by the Rockefeller Foundation?

Mr. GREENE. I have not supervised such investigation, but I have had experience in university administration, in which one is brought in contact with men who are qualified investigators, and it gives a certain amount of experience in forming opinions of men, their methods of work, and certain scientific standards which apply generally.

Chairman WALSH. That leads to another question. Will you briefly state now what part of your past experience you consider has particularly fitted you to direct the many lines of activity planned by the Rockefeller Foundation? Give the character of the work that has preceded this work.

Mr. GREENE. I would rather have that question answered by those who are responsible for my appointment, Mr. Chairman. I do not claim any special qualification for this work. If I have any, I presume it is derived largely from my experience in university administration, and the administration of the Rockefeller Institute for Medical Research.

Chairman WALSH. Well, briefly and as concisely as possible, of what did your university investigation consist, or, for instance, that might equip you to supervise the investigation of industrial relations of the country and the world?

Mr. GREENE. Intimate association with men of that type in the Harvard faculty, with every one of whom I was intimately acquainted, and with general lines of work. But I do not pretend to be an expert in that or in any other line of special investigation. I do not think it is necessary. I do not think it follows that the executive of a charity like this or of a university needs to be an expert in the various branches of inquiry carried out. The president of



the university can not be an expert chemist, an expert sociologist, and an expert lawyer, but he may be very competent to form an opinion as to men in all those fields of activity.

Chairman WALSH. Will you please furnish the commission with a transcript of any resolution or memoranda or other data which exists in regard to the increase in membership of the trustees of the foundation?

Mr. GREENE. There are no such resolutions or memoranda with regard to the increase. There are resolutions appointing or electing President Eliot and Mr. Hepburn and those I gave to the agent of the commission day before yesterday I think.

Chairman WALSH. You have given us all of that that you have?

Mr. GREENE. Yes.

Chairman WALSH. I have been asked to ask you a couple of questions, which I will. We have the practice of allowing a few questions to be asked. Some gentleman wants to know this:

Is there no possibility for a great nation such as this to provide itself with all of the institutions which are of vital necessity to its life, without having them bestowed by the good will of an individual?

Mr. GREENE. The resources of this country would undoubtedly be sufficient, but I think that most people would agree, without lacking in any deference to the independence and patriotism of our legislators that in the field of activity in which we are engaged, private institutions have a certain advantage, particularly in the way of initiation.

Chairman WALSH. You stated this morning—

Mr. GREENE (interrupting). They are all equally in the control of the people. It was a disappointment to me when I had charge of the Rockefeller Foundation charter bill in Congress, that it did not pass there, because it seemed to me that it was nothing more or less than creating a trusteeship or receivership for the benefit of the American people, that no matter what the person's opinions were with regard to the money in question, here was an opportunity to see that fortune, or a substantial part of it, put it in trust for the American people.

Chairman WALSH. What work have you, any of your foundations or boards, initiated that have not in some respects been carried on before?

Mr. GREENE. I think it would be impossible to name anything probably that had not been done before in this world. There was the institution for medical research. There are but few in Europe, and none of them now in Europe actually endowed as the Rockefeller Institute. The hookworm work had elements of novelty in it, of course, but whether it was unprecedented or not I should not be able to say.

Chairman WALSH. You stated this morning that you do not think it necessary to have reports of foundations open to general public inspection. That is, you would extend the privilege of inspection to those who might be particularly interested or for some reason. Is that a fair statement? This is handed to me by some one else.

Mr. GREENE. I should not wish to have anything concealed. It would not be to the interest of the foundation that any of its doings, it seems to me, be withheld from the public. Of course, there are matters under discussion, half formulated schemes, the pros and cons of which are being urged, and the publication of which prematurely might prejudice the end in view. But when the thing is done and becomes a matter of record, money appropriated, there is nothing, it seems to me that ought not to be known, and if it were thought best to permit some representative of the public interest to inspect the minutes, there certainly should not be anything in the minutes that we should object to having inspected in that way.

Chairman WALSH. This is followed by the question: Suppose the foundation knowingly or otherwise did something against the interest of the people, how can the people, the ordinary man, get this information if you would not allow the complete public inspection of the foundation's work?

Mr. GREENE. By the condition or terms of that very question if it is a matter of such serious import I fancy it would be known.

Chairman WALSH. If there is anything that you wish to submit that you have not been asked in amplification or explanation of your testimony, we will be glad to have you do so.

Mr. GREENE. There is just one thing I should like to mention, because on two or three occasions I have heard reference made to the bird refuge in Louisiana bought by the Rockefeller Foundation.

I imagine that that has appeared to some people perhaps as the setting up of an aviary for somebody's amusement, or to take care of birds for considerations merely of humanity. I am not saying that that would not be an adequate motive. I think it could not be justified, however, on grounds of great urgency.

The reason the Rockefeller Foundation paid \$225,000 for a large tract of land—I have forgotten how many acres, 85,000 acres I think—in Louisiana was that one of the most serious dangers which is now threatening American agriculture is its total blight, now in one region and now in another, by insects, and the enemy of the insects, and the protector of our agriculture of our farmer is the insectivorous birds. These birds have certain migration, seasons of migration, and at certain times of the year they congregate in some parts of our country, and the pothunter can go in there and slaughter them by the million, for food or for sport, or plumage or what not. It takes them when they are defenseless, when they are there in enormous numbers and threatens to obliterate the whole species, as whole species have been thus obliterated, unless some one, a public-spirited man, something such as the Russell Sage Foundation, which has bought Marsh Island, in the same region and as McIlhenny which dedicated another tract in the same region to the same work, unless the American public follows the example and has a reservation elsewhere there is great danger that will threaten the agriculture of our country.

We have only to look at the object lesson in Jamaica where vegetation was blighted because the equilibrium was destroyed through the importation of the mongoose which destroyed the birds, which was finally itself destroyed, and the birds being destroyed, insects came in and blighted the whole thing, and then finally the parasite attacked the mongoose, he was removed; the birds came back and vegetation returned. That has had a very graphic illustration in Germany where the landowner was saved during a blight, he had set apart a large area for the birds to take refuge on his land. That is one example. There is nothing sentimental, I think, about that, because it was just good business.

Chairman WALSH. Is this place where the land was selected a place in which there is a seasonal, a natural refuge for birds?

Mr. GREENE. Yes.

Chairman WALSH. If you will, briefly, tell us what sort of birds usually are there.

Mr. GREENE. Our interest in it was chiefly to get the insectivorous birds. I presume they are the kind of birds usually used for food and sport.

Chairman WALSH. Where did the request come from?

Mr. GREENE. That consideration alone would not have interested us.

Chairman WALSH. Where did the request come from?

Mr. GREENE. The chief promoter of this preserve, Mr. McIlhenny, of Louisiana.

Chairman WALSH. Mr. McIlhenny, of the Civil Service Board—National Civil Service Board?

Mr. GREENE. It may be a brother. I do not know, but it is not that one.

Chairman WALSH. What is his viewpoint? What is his motive, if you know?

Mr. GREENE. I think the motive——

Chairman WALSH. Is it that of a sportsman, or in regard to the insects?

Mr. GREENE. I think his motive is the love of birds and appreciation of this agricultural interest.

Chairman WALSH. I believe that is all. You may be finally excused. Thank you, Mr. Greene.

Mrs. Dominiske.

#### TESTIMONY OF MRS. MARGARET DOMINISKE.

Chairman WALSH. What is your name?

Mrs. DOMINISKE. Margaret.

Chairman WALSH. Margaret Dominiske?

Mrs. DOMINISKE. Yes.

Chairman WALSH. Where were you born?

Mrs. DOMINISKE. In Newcastle, England.

Chairman WALSH. Newcastle, England?



Mrs. DOMINISKE. Yes.

Chairman WALSH. How long have you been living in the United States?

Mrs. DOMINISKE. Twenty-six years.

Chairman WALSH. How long?

Mrs. DOMINISKE. Twenty-six years.

Chairman WALSH. Twenty-six years. Are you married or single?

Mrs. DOMINISKE. I am married.

Chairman WALSH. Is your husband a citizen of the United States?

Mrs. DOMINISKE. Yes.

Chairman WALSH. Where was Mr. Dominiske born?

Mrs. DOMINISKE. In Tioga County, Pa.

Chairman WALSH. Have you any children?

Mrs. DOMINISKE. I have three.

Chairman WALSH. What are their ages?

Mrs. DOMINISKE. Ten, eight, and six.

Chairman WALSH. When did you move to Colorado and where have you lived there, please?

Mrs. DOMINISKE. We moved to Colorado about 17 years ago, and I lived in Erie, Lafayette, Tollerburg, and Ludlow.

Chairman WALSH. Ludlow. Where are those places located, please, Mrs. Dominiske, with reference to the northern or the southern coal field? Lafayette, as I remember, it is in the northern coal field.

Mrs. DOMINISKE. Lafayette and Erie are in the northern field.

Chairman WALSH. Yes.

Mrs. DOMINISKE. And Tollerburg and Ludlow are in the southern field.

Chairman WALSH. What has been your husband's business?

Mrs. DOMINISKE. He is a coal miner.

Chairman WALSH. How long have you been married?

Mrs. DOMINISKE. Eleven years.

Chairman WALSH. Eleven years?

Mrs. DOMINISKE. Yes.

Chairman WALSH. What kind of churches are to be found in the coal fields of southern Colorado?

Mrs. DOMINISKE. I never saw one only in Trinidad.

Chairman WALSH. How is that?

Mrs. DOMINISKE. I never saw any one only in Trinidad.

Chairman WALSH. In Trinidad. Are there any halls in these camps for the people to meet in?

Mrs. DOMINISKE. No.

Chairman WALSH. Do you know why not?

Mrs. DOMINISKE. No; I do not.

Chairman WALSH. Are there any saloons?

Mrs. DOMINISKE. Lots of saloons.

Chairman WALSH. Did you ever trade at the company's stores in those towns in which you lived in Colorado?

Mrs. DOMINISKE. Yes.

Chairman WALSH. How do the prices in those stores compare, would you say, from your everyday standpoint as a housekeeper, with those stores in the little towns nearby?

Mrs. DOMINISKE. Why, they were quite a bit higher in the camps.

Chairman WALSH. How did you come to observe that, Mrs. Dominiske? How did you come to know they were higher in the camps?

Mrs. DOMINISKE. Well, whenever I got a chance I would go to these other stores and buy, and then you could see the difference.

Chairman WALSH. Did you ever know of anybody having trouble because of not trading in the company's stores?

Mrs. DOMINISKE. Well, a friend of mine told me when she lived in Tercio, Colo., that the prices were so high in the company's stores that they could not buy there, and they used to go and take their trunks to Trinidad and get what they wanted and ship them back. But on one occasion one of the men was caught, and he was fired, lost his job; and after that they were not allowed to take their trunks any more unless they were going to stay or on a long visit.

Chairman WALSH. Why did you trade in the company's stores when you could get stuff cheaper at the towns nearby?

Mrs. DOMINISKE. We was not allowed to go to those other places. I knew my husband would be discharged if it was found out.

Chairman WALSH. Well, now, why do you say that, Mrs. Dominiske? Was it anything except suspicious, or a thought, or had anything been said to you about it?

Mrs. DOMINISKE. The people that were in these coal camps before I went there told me.

Chairman WALSH. So that was the thought of the coal camp?

Mrs. DOMINISKE. Yes.

Chairman WALSH. That you had to trade there?

Mrs. DOMINISKE. Yes.

Chairman WALSH. Have you ever gone to the expense of trying to determine what difference it made in your husband's wages trading under those circumstances in the camp as compared with what you might do if you could get out and buy where you could get cheaper?

Mrs. DOMINISKE. I don't understand your question.

Chairman WALSH. The point is—maybe it is too involved—Mrs. Dominiske, did you ever try to determine how much of a difference that made in your husband's real wages; that is, the increased amount that you had to pay for provisions in the coal camps? I will try to put it plainer. About how much higher would you say that the provisions in the camps were over what they were in the little towns nearby?

Mrs. DOMINISKE. I couldn't say how much higher, but they were quite a bit higher. I do not know just how much.

Chairman WALSH. Is that generally known among the women keeping house in those camps?

Mrs. DOMINISKE. Yes.

Chairman WALSH. Do you remember what took place the day before and on April 20? Where did you live on April 20, 1914?

Mrs. DOMINISKE. Ludlow tent colony.

Chairman WALSH. In the tent colony?

Mrs. DOMINISKE. Yes.

Chairman WALSH. Was your husband in the colony with you?

Mrs. DOMINISKE. Yes.

Chairman WALSH. Do you remember what took place the day before and on April 20, 1914?

Mrs. DOMINISKE. Yes, sir. A ball game the day before.

Chairman WALSH. A ball game?

Mrs. DOMINISKE. Yes; on Sunday.

Chairman WALSH. You heard read here, I believe, by the commission, and you have probably seen it in our records before, or read it, a so-called publication that was made, signed by Mr. Lawson and many others, and entitled "A call to arms"? You saw that, did you?

Mrs. DOMINISKE. Yes, sir.

Chairman WALSH. And that was issued on April 20, 1914, according to its purport. Now, do you remember what took place the day before and on April 20, 1914? Just describe the happening at Ludlow on those two days as concisely as you can in your own way.

Mrs. DOMINISKE. On April 19 there was a ball game, and all the people from the tent colony was over there watching the ball game.

Chairman WALSH. How many people were in the tent colony?

Mrs. DOMINISKE. Oh, I don't know how many, but I should judge maybe five or six hundred.

Chairman WALSH. Women and children living there in the tents?

Mrs. DOMINISKE. Yes.

Chairman WALSH. That was after the strike?

Mrs. DOMINISKE. Yes.

Chairman WALSH. The miners bought or leased a tract of land and put up tents, and you were all living there, Mrs. Dominiske?

Mrs. DOMINISKE. Yes.

Chairman WALSH. Go ahead.

Mrs. DOMINISKE. We were over at this ball game, and four militiamen, one on horseback and three afoot, and the ones on foot had rifles with them, and they had them pointed toward the men that were playing ball. And one of the men in there said: "You can watch this ball game, but it does not need any guarding." And one of the ladies that was there said in a joking way that if they would take some R. B. guns and start after those militia that they would take those guns and run for their lives. He said: "Go ahead, have your good time to-day, and to-morrow we will get your roast."



Chairman WALSH. Get your what?

Mrs. DOMINISKE. Roast. The ball game was over, and we went on home, and didn't think no more about it till next day.

Chairman WALSH. What occurred on April 20?

Mrs. DOMINISKE. About 10 o'clock next morning we were late getting up that morning, later than usual; it was about 8.30, I guess, when my husband went up to the office tent. And I had let the children sleep late on account of their being up late the night before, and I had thought I would wash and put on my wash water, and I went up to Mrs. Jolly's to get some postal cards I was going to send away from our Easter, and I went up there to get the cards, and while I was up there somebody came and said that the militia was out there and wanted to see Mr. Tikas.

Chairman WALSH. Who is Mr. Tikas?

Mrs. DOMINISKE. He was the Greek leader.

Chairman WALSH. What kind of a man was he personally?

Mrs. DOMINISKE. Well, he was an awful quiet man.

Chairman WALSH. And as to disposition, was he a kind man?

Mrs. DOMINISKE. Yes.

Chairman WALSH. With reference——

Mrs. DOMINISKE. Well, he was an awful kind man and everybody liked him.

Chairman WALSH. Proceed.

Mrs. DOMINISKE. And when he went out to talk to this militia——

Chairman WALSH. Now, please speak a little louder. Mrs. Dominiske. I know you are not accustomed to speaking, but you will have to lift your voice so that it will carry farther.

Mrs. DOMINISKE. When he went out to see this militia, Mrs. Jolly and I went with him, and they handed him a piece of paper with a name on it and told him they wanted that man, and Tikas asked him who gave them authority to come after him—did he get it from the militia or civil authorities, and they said they got it from the military authorities. And he said that the military authorities was at Las Animas and Huerfano County now. And they told him to produce that man in half an hour or they would search the camp and take him, and he told them that he could not produce the man because the man did not live there, and he was not in the camp. And so we came on back over to Mrs. Jolly's house. And we had just got in there—was in there a few minutes—I don't know how long—when they came and telephoned for Louis Tikas and said that Mr. Hamrock wanted Tikas to go over to the military camp.

Chairman WALSH. Who was Mr. Hamrock; was he a soldier?

Mrs. DOMINISKE. Yes; he was one of the militia.

Chairman WALSH. Maj. Hancock, of the militia?

Mrs. DOMINISKE. Yes; I believe he was in charge of the militia.

Chairman WALSH. He was some sort of an officer?

Mrs. DOMINISKE. He was an officer, yes; and Tikas told him he would meet him half way. Tikas went, but Maj. Hamrock did not come, so Tikas came on back. He had only been over to the house, to the tents a few minutes when he got another phone to go up to the depot, Maj. Hamrock wanted to see him at the depot, the Colorado Southern depot. So he went up. And then I went on down home. And I heard some singing and music and I looked out the end of my tent, and I had a window in it, and I went and looked out and it was the Greeks celebrating their Easter Monday. They were singing and dancing and playing music.

Chairman WALSH. What sort of music?

Mrs. DOMINISKE. They had mandolin and a violin and a flute, I think. While I was standing there, there came a lady by and she told me, she said "You better get out, the militia are coming." I said I didn't care; let them come. They have been here before and they won't hurt us.

She went and a few minutes after she left there was a bomb fired. I went out and looked up toward the tracks to where the military camp was and I could see the smoke; I saw the men going, that is, these militiamen going on horseback over toward Water Tank Hill, what we call it. Then in a few minutes there was another bomb fired. So the lady that lived next door to me said "I am going over to the pump station and get over there out of this; I think there is going to be something doing." I asked her if she would take my children over, that I wanted to see my husband before I went. So she took my children and went to Water Tank Hill—to the pump station; and I went up to where my husband was. We saw Tikas coming running over from the

depot and he had a handkerchief in each hand, waiving a handkerchief, and he said something to us, but we didn't hear what he said. When he got near enough to us he called to us to get back, to go up to Water Tank Hill. And so then there was another bomb fired, and I ran over to the pump station. After we got over there, there was, oh, several, I don't know how many—maybe 15 or 16 women and children standing on top of this well looking around, when they started to fire at us. And so then we got down the well as quick as we could.

Chairman WALSH. How many went down into the well?

Mrs. DOMINISKE. Oh, I don't know, maybe there was 60 or 85 in there, counting the women and children and all.

Chairman WALSH. It is a great large well which contains the water that is used to put in the tank for the railroad?

Mrs. DOMINISKE. Yes. The boy that was left in charge of the pump house came, and he told us, "If you don't want to get shot you better go to that barn." So we ran to the barn, two of my children had got in the well, and I took the youngest one to the barn, and about half past 2 one of the children, the little girl, got up out of the well and came over to where I was, and the men—that is, the militia—shot at her. And they had just quit shooting when the little boy came, and they shot at him and the bullet whizzed right through the top of the barn where we were. It was banked up and we were all laying down. About 3 o'clock was when they started to shoot so awfully hard. And about a quarter to 6 one of the men from the arroyo came up to where we were.

Chairman WALSH. What is that arroyo?

Mrs. DOMINISKE. It is a ditch back of this barn. And he came up where we were and he said we had better get out of here because he said there is about 50 militia right close to the camp and he said they are burning up the tents and if you crawl out here you can see it. So I crawled out, and I looked down and I saw about six or eight tents burning. And then I saw five militiamen cross from the tents that was burning over to those that was not burning, and three of them had torches and two had cans. I don't know what was in the cans, but I think it was oil. They went into one of these other tents, and I got back into where my children were. Pretty soon some said it looks like there is a train coming, and maybe we had better get out under the cover of this train, that that will be our only chance of escape. So I went and crawled back out and looked out again to the tents and I saw the militia going into them, they was all on fire, so I judge from that they had set it on fire, and when this train came—

Chairman WALSH. You say that they had torches and that they were lighted?

Mrs. DOMINISKE. Well, it looked like a broom to me; that is what it looked like from where I was at, looked like they were brooms lit. Then when the train came, why, we all got out of the well and out of the barn and went to the arroyo. And on the way there as she stooped to get under the fence, one of the ladies had a big apron on, and she stoops to get under the fence and there was a bullet passed right through her apron and another passed over my head and exploded. It was an explosive bullet and exploded in front of another lady, and she had a baby in her arms, and she fainted. We got into the arroyo and we went down to a ranch about 5 or 6 miles from Ludlow. Next day we went to Trinidad.

Chairman WALSH. The next day you went to Trinidad?

Mrs. DOMINISKE. Yes.

Chairman WALSH. How many people lost their lives at Ludlow on April 20, 1914?

Mrs. DOMINISKE. There were 12 children and 2 women and 5 men, I think.

Chairman WALSH. Who were those people and what positions, if any, did they hold among the striking miners?

Mrs. DOMINISKE. Tikas was a Greek, and he was a Greek leader. Fyler was the secretary of the local.

Chairman WALSH. What local, the miners' local union?

Mrs. DOMINISKE. Yes; in Ludlow.

Chairman WALSH. How many of his family were at Ludlow on that day—Mr. Fyler's family?

Mrs. DOMINISKE. There were two boys and three girls, and one of them a married daughter with a child.

Chairman WALSH. Did you spend part of the day with any of them?

Mrs. DOMINISKE. Yes; I was.

Chairman WALSH. Did you later identify any of the dead?



Mrs. DOMINISKE. Yes.

Chairman WALSH. When and where?

Mrs. DOMINISKE. In Trinidad, at the undertaking parlors.

Chairman WALSH. Had you ever seen this cellar in which the women and children lost their lives?

Mrs. DOMINISKE. Yes.

Chairman WALSH. Just describe what kind of a cellar it was, whether it had been used as a room or a place to sleep, or what was it?

Mrs. DOMINISKE. It was a cellar; it was all timbered up and finished nice and was used as a bedroom, and it had a bed in it when I saw it.

Chairman WALSH. Was it used for any particular purpose among the people there?

Mrs. DOMINISKE. I think it was.

Chairman WALSH. Had children been born there?

Mrs. DOMINISKE. Children were born in there.

Chairman WALSH. It was a place where they took women?

Mrs. DOMINISKE. Yes.

Chairman WALSH. So that they could be kept away from any noise in case of any trouble, away from being disturbed?

Mrs. DOMINISKE. I think it was.

Chairman WALSH. Was the cellar timbered and did it have steps?

Mrs. DOMINISKE. Yes.

Chairman WALSH. When did you see the cellar after the colony was destroyed?

Mrs. DOMINISKE. About a week after.

Chairman WALSH. Describe the cellar as it then appeared.

Mrs. DOMINISKE. Well it was all smoky on the inside and it was right after a rainstorm, and it had quite a bit of water in it, and we did not get to go right in the inside of it.

Chairman WALSH. What day did you identify the bodies; was that on the 21st or the 22d?

Mrs. DOMINISKE. Twenty-first.

Chairman WALSH. The 21st?

Mrs. DOMINISKE. The day after.

Chairman WALSH. This occurred on—the deaths occurred on the 20th.

Mrs. DOMINISKE. The 20th.

Chairman WALSH. And you identified them on the 21st?

Mrs. DOMINISKE. No; it was on the 22d.

Chairman WALSH. On the 22d?

Mrs. DOMINISKE. Yes; two days later.

Chairman WALSH. Did you advise Mr. Lawson and these other men who signed that call of what you testified before the commission here substantially? Did you tell your story to the mine leaders of the mine workers?

Mrs. DOMINISKE. I told it to some of them.

Chairman WALSH. You told it to some of them?

Mrs. DOMINISKE. Yes.

Chairman WALSH. Upon the 22d instant when the so-called call to arms was issued?

Mrs. DOMINISKE. Yes.

Commissioner WEINSTOCK. Did you see the fire when it started, Mrs. Dominiske?

Mrs. DOMINISKE. No; I did not.

Commissioner WEINSTOCK. You do not know—how do you know how it started?

Mrs. DOMINISKE. No; I do not know.

Commissioner WEINSTOCK. Did you see the members of the militia in the tent colony immediately before the fire started?

Mrs. DOMINISKE. The first I saw of them is when this man told me that if I looked out I could see the tent burning.

Commissioner WEINSTOCK. I see. Then you saw the militia?

Mrs. DOMINISKE. I saw the militia in the tent colony then.

Commissioner WEINSTOCK. You do not know whether the militia came there before or after the fire started?

Mrs. DOMINISKE. No; I do not, I am sure.

Commissioner WEINSTOCK. Well, did you hear from anybody how the fire did start?

Mrs. DOMINISKE. No; I do not believe I did, but one of the—

Commissioner WEINSTOCK. Of your own knowledge?

Mrs. DOMINISKE. Not of my own knowledge.

Commissioner WEINSTOCK. You do not know how the fire started?

Mrs. DOMINISKE. No.

Commissioner WEINSTOCK. At what time did the women and children and men begin to leave the tent camp?

Mrs. DOMINISKE. In the morning, you mean?

Commissioner WEINSTOCK. Yes; in the morning.

Mrs. DOMINISKE. Right after the bomb was fired.

Commissioner WEINSTOCK. That was about—do you remember about what time that was?

Mrs. DOMINISKE. Close to 10 o'clock, if not at 10.

Commissioner WEINSTOCK. They began to leave at that time?

Mrs. DOMINISKE. Yes.

Commissioner WEINSTOCK. How many left?

Mrs. DOMINISKE. Well, I guess everybody left that could get out. They started the machine gun as soon as the last bomb was fired. They started to firing the machine gun and everybody tried to get out.

Commissioner WEINSTOCK. How many children and women, so far as you can judge left the camp on that morning?

Mrs. DOMINISKE. Well, I don't know.

Commissioner WEINSTOCK. Would there be as many as a hundred?

Mrs. DOMINISKE. Well, I do not know; I couldn't say about that at all.

Commissioner WEINSTOCK. How many women and children in the camp altogether?

Mrs. DOMINISKE. I do not know that either. There was quite a few.

Commissioner WEINSTOCK. They started to scatter right at that time?

Mrs. DOMINISKE. Yes.

Commissioner WEINSTOCK. When did the fire happen, about what time?

Mrs. DOMINISKE. Close to 6 o'clock.

Commissioner WEINSTOCK. Was it after dark?

Mrs. DOMINISKE. It was just getting dusk.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. Commissioner Lennon would like to ask you a few questions.

Commissioner LENNON. I would like to ask you to describe the water tank for fear the people would not just comprehend what it is, and how 50 or 70 people could get into the well, and how they supported themselves.

Mrs. DOMINISKE. Well, this is it.

Commissioner LENNON. Just describe it so that the people may understand.

Mrs. DOMINISKE. It is an awful big well; it had three landings.

Commissioner LENNON. Running around the inside?

Mrs. DOMINISKE. Yes; it had three landings.

Commissioner LENNON. A well 18 or 20 feet across, was it not?

Mrs. DOMINISKE. Oh, yes; I guess it was; it was an awful big well. I do not know just how big.

Commissioner LENNON. There were steps going down from one landing to the other?

Mrs. DOMINISKE. Yes.

Commissioner LENNON. And the people stood on the landing?

Mrs. DOMINISKE. Yes.

Commissioner LENNON. That is all.

Chairman WALSH. Is that all underground?

Mrs. DOMINISKE. Yes.

Chairman WALSH. Commissioner Ballard would like to ask a few questions.

Commissioner BALLARD. I understood you to say that you sent your children up to the well, but you did not go first because you wanted to see your husband?

Mrs. DOMINISKE. Yes.

Commissioner BALLARD. Where was your husband?

Mrs. DOMINISKE. He was up to the office tent.

Commissioner BALLARD. What was he doing there?

Mrs. DOMINISKE. It was Saturday—was their pay day also—and on Monday they always check up and counted their checks and he had went up there to check up with Mr. Fyler.

Commissioner BALLARD. How long were you in the tent colony—how long did you live in the tent colony?



Mrs. DOMINISKE. Since September, 1913.

Commissioner BALLARD. You were there some months?

Mrs. DOMINISKE. Yes.

Commissioner BALLARD. Who paid your expenses while you were there?

Mrs. DOMINISKE. The union.

Commissioner BALLARD. Who is paying your expenses now?

Mrs. DOMINISKE. The union.

Commissioner BALLARD. That is all.

Chairman WALSH. That is all. You are excused.

Mrs. Petrucci.

#### TESTIMONY OF MRS. MARY PETRUCCI.

Chairman WALSH. What is your full name?

Mrs. PETRUCCI. Mary Petrucci.

Chairman WALSH. Mary Petrucci?

Mrs. PETRUCCI. Yes.

Chairman WALSH. How old are you, Mrs. Petrucci?

Mrs. PETRUCCI. Twenty-four.

Chairman WALSH. Twenty-four?

Mrs. PETRUCCI. Yes.

Chairman WALSH. Where do you live now?

Mrs. PETRUCCI. Ludlow.

Chairman WALSH. Ludlow, Colo.?

Mrs. PETRUCCI. Yes.

Chairman WALSH. What is your ancestry; your father and mother were natives of what country?

Mrs. PETRUCCI. Italy.

Chairman WALSH. You are of Italian descent?

Mrs. PETRUCCI. Yes.

Chairman WALSH. Where were you born?

Mrs. PETRUCCI. In Hastings, Colo.

Chairman WALSH. What is Hastings, Colo.—is that a coal-mining camp?

Mrs. PETRUCCI. It is a mining camp.

Chairman WALSH. About how many people are there in Hastings?

Mrs. PETRUCCI. I could not tell you.

Chairman WALSH. Are you a married woman?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. Is your husband a citizen of the United States?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. Do you know whether or not your father was a citizen of the United States?

Mrs. PETRUCCI. He was.

Chairman WALSH. You are a native born Coloradian?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. Where did you go to school, Mrs. Petrucci?

Mrs. PETRUCCI. In Hastings.

Chairman WALSH. In the mining camp?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. You were raised in Hastings, were you?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. When did you leave there?

Mrs. PETRUCCI. When I was 13 years old.

Chairman WALSH. At what age were you married?

Mrs. PETRUCCI. Sixteen.

Chairman WALSH. Where did you say you lived now?

Mrs. PETRUCCI. At Ludlow, Colo.

Chairman WALSH. I am going to ask you, if you will, to give a little brief description of your life, when you lived in Hastings; that was a mining camp of what company?

Mrs. PETRUCCI. I think of the Victor-American Fuel Co.

Chairman WALSH. Was your father a miner there?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. Did you live in a company house?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. Was there a school in the camp to which you went?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. Did you go to school at any place outside of Hastings?

Mrs. PETRUCCI. Not when I lived in Hastings.

Chairman WALSH. Were there any church facilities in Hastings?

Mrs. PETRUCCI. No, sir.

Chairman WALSH. None at all?

Mrs. PETRUCCI. None.

Chairman WALSH. You had had some religious training, your ancestry were religious people, were they not?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. What faith did they profess?

Mrs. PETRUCCI. They were Catholics.

Chairman WALSH. After you left Hastings where did you go then?

Mrs. PETRUCCI. I went to Tabasco and Berwind.

Chairman WALSH. Are both of those mining camps?

Mrs. PETRUCCI. Yes, sir; they belong to the C. F. & I.

Chairman WALSH. They belong to the Colorado Fuel & Iron Co.?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. What age did you leave Hastings?

Mrs. PETRUCCI. When I was 13 years old.

Chairman WALSH. What was the first place you went to?

Mrs. PETRUCCI. Starkville.

Chairman WALSH. Where were you when you were married?

Mrs. PETRUCCI. In Ramey.

Chairman WALSH. Was Mr. Petrucci a miner when you lived there?

Mrs. PETRUCCI. No; he was running a box-car loader.

Chairman WALSH. For the railroad company?

Mrs. PETRUCCI. No; for the mining company.

Chairman WALSH. You married him at what place?

Mrs. PETRUCCI. In Walsenburg.

Chairman WALSH. That is a mining town, is it?

Mrs. PETRUCCI. I suppose so.

Chairman WALSH. Where were you living at the time you married him?

Mrs. PETRUCCI. In Ramey.

Chairman WALSH. Is that a mining camp?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. You simply went to Walsenburg to be married?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. After your marriage where did you live—in what mining camp, in Ramey?

Mrs. PETRUCCI. In Ramey.

Chairman WALSH. The Ludlow mine called Ramey?

Mrs. PETRUCCI. Yes.

Chairman WALSH. How long did you live in Ludlow before April 20, 1914?

Mrs. PETRUCCI. Since January.

Chairman WALSH. Where did you live prior to that time?

Mrs. PETRUCCI. In January?

Chairman WALSH. Before January?

Mrs. PETRUCCI. I lived in a house on a ranch. It was leased by my husband and this other man.

Chairman WALSH. Where were you when the strike was called?

Mrs. PETRUCCI. In Ramey.

Chairman WALSH. And Mr. Petrucci was working for a mining company, was he?

Mrs. PETRUCCI. No; he was out on strike.

Chairman WALSH. He went out on strike, did he?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. What sort of weather was it when he went out on strike?

Mrs. PETRUCCI. I could not tell you; it was in September.

Chairman WALSH. Now, when you went out on strike where did you go? Where did the miners and their families go?

Mrs. PETRUCCI. In the tent colony.

Chairman WALSH. In Ludlow?

Mrs. PETRUCCI. Yes.

Chairman WALSH. About how many folks were in the camp when you went to the tent colony.

Mrs. PETRUCCI. I could not tell you how many.



Chairman WALSH. Was there a large number?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. Were there 1,000 people, men, women, and children, or 500, or what?

Mrs. PETRUCCI. I suppose about 600 or 700.

Chairman WALSH. And they had tents there side by side, did they, with streets running down between them?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. And did they start a little organization there and have some leader that exercised some authority about keeping order and things like that?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. Who were the different leaders of the Ludlow colony?

Mrs. PETRUCCI. Louis Tikas and Mr. Fyler.

Chairman WALSH. Louis Tikas and Mr. Fyler?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. How did the people in that camp get along together? Was there disorder and fights or anything like that?

Mrs. PETRUCCI. No, sir.

Chairman WALSH. What were your relations to each other while you were in the camp? I am trying to put it into everyday terms. Were you happy there and friendly with each other, and did you visit back and forth?

Mrs. PETRUCCI. Yes, sir; we had a good time.

Chairman WALSH. How did you like it in comparison with the coal camp?

Mrs. PETRUCCI. I liked it better in the tent colony.

Chairman WALSH. You would rather live there in the tent colony all the year around, would you?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. Where were you living when the strike of September, 1913, began in Colorado?

Mrs. PETRUCCI. I was living at Berwind.

Chairman WALSH. At Berwind.

Mrs. PETRUCCI. In 1913?

Chairman WALSH. Yes.

Mrs. PETRUCCI. At Ramey then.

Chairman WALSH. Stating it briefly, did you have some unpleasant experience with the militia in speaking to you?

Mrs. PETRUCCI. Yes; they came up there and insulted us every day until we had to move down so we would not be insulted.

Chairman WALSH. Did you stay at Ludlow until the colony was destroyed in April, 1914?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. Was that the day after the Greek Easter Sunday?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. Who brought you to this meeting, Mrs. Petrucci?

Mrs. PETRUCCI. Mr. Lawson.

Chairman WALSH. Mr. John R. Lawson?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. Was that the day after the Greek Easter Sunday, that the occurrence at Ludlow took place?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. What did the members of the colony do on the Greek Easter?

Mrs. PETRUCCI. They were just having a good time.

Chairman WALSH. What did they do? I think the lady who preceded you stated that they had a ball game or something?

Mrs. PETRUCCI. Oh, yes; on Sunday.

Chairman WALSH. Did the crowd turn out to the ball game?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. During the winter following the strike in September, was there any severe or cold weather?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. How did you find it in the tent colony?

Mrs. PETRUCCI. It was pretty warm; we had coal and everything.

Chairman WALSH. And your conditions were comfortable?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. You did not suffer in that way?

Mrs. PETRUCCI. No, sir.

Chairman WALSH. Did you visit back and forth with the others there in the camp?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. What time of day did you leave your camp?

Mrs. PETRUCCI. When?

Chairman WALSH. On April 20?

Mrs. PETRUCCI. I didn't leave my tent at all.

Chairman WALSH. You are the lady, I believe, who lost the four children?

Mrs. PETRUCCI. Yes.

Chairman WALSH. Was the basement in which these lives were lost under your own tent?

Mrs. PETRUCCI. No, sir.

Chairman WALSH. When and how did you get to that place?

Mrs. PETRUCCI. Well, in the evening when the fire started I came out of my tent; it was all on fire, and I came out of my tent, and as I was coming out of my tent under that tank there was a lot of militiamen, and I was running out and hollering with my three children, and they hollered at me to get out of the way and they were shooting at me and I ran into this place.

Chairman WALSH. It was three children you had?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. You ran into this place where that basement was?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. What had that basement been used for—to take care of ladies during confinement in the camp?

Mrs. PETRUCCI. Yes.

Chairman WALSH. And they were kept away from the noise and any disturbances that might take place?

Mrs. PETRUCCI. Yes.

Chairman WALSH. Did anyone see you and your children leave the tent?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. What did anyone say or do when you and your children left the tent?

Mrs. PETRUCCI. These were the guards that saw me. As I was coming out of my tent they were hollering at me to look out, and shooting after me, and that scared me, and I went into the cave.

Chairman WALSH. How far were the guards from you when they hollered at you and shot at you?

Mrs. PETRUCCI. About 25 yards from my tent.

Chairman WALSH. They could see you plainly and you could see them?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. Into what tent did you and your children run in connection with the other tent?

Mrs. PETRUCCI. Right at the back of mine. My tent was No. 1 and this was No. 58, right on the back of my tent.

Chairman WALSH. When you went in there was it your intention to take the children into the cellar of that tent?

Mrs. PETRUCCI. Yes, sir; for protection.

Chairman WALSH. How did you get into the cellar of that tent? Was there boards over the cellar?

Mrs. PETRUCCI. There was boards, but there was steps to go down.

Chairman WALSH. Was the door open or shut when you reached the tent?

Mrs. PETRUCCI. Open.

Chairman WALSH. Was it left open or shut after you went down?

Mrs. PETRUCCI. Left open.

Chairman WALSH. If it came to be closed, did you ever know how it came to be closed?

Mrs. PETRUCCI. No, sir.

Chairman WALSH. Where were the steps into the cellar of the tent into which you went, after you left your tent? Where were the steps in this tent you ran to for protection?

Mrs. PETRUCCI. They was dug in the earth.

Chairman WALSH. Just earth steps?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. Where were they with reference to the front or back of the tent?



Mrs. PETRUCCI. They were just like this [indicating], right in front of me. Chairman WALSH. After you walked right in there you could go down the steps into this basement room?

Mrs. PETRUCCI. Yes.

Chairman WALSH. How deep was the room under the surface of the earth?

Mrs. PETRUCCI. I think about 6 feet.

Chairman WALSH. How many people were in the cellar when you got down into it?

Mrs. PETRUCCI. Three women and eight children.

Chairman WALSH. Who were the women?

Mrs. PETRUCCI. Mrs. Costa, Mrs. Valdez, and Mrs. Patragon, and myself.

Chairman WALSH. Were those other women friends of yours that had been in the tent colony?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. How did you get your children in there?

Mrs. PETRUCCI. They followed me; I had my baby in my lap and the little girl by the hand and the oldest walked by himself.

Chairman WALSH. How old were the children?

Mrs. PETRUCCI. One was 4; he would have been 5 yesterday; the little girl was 2½, and the baby 6 months old.

Chairman WALSH. Did you talk to Mrs. Costa after you got in the tent?

Mrs. PETRUCCI. Yes.

Chairman WALSH. What conversation did you have when you got in there?

Mrs. PETRUCCI. I said to Mrs. Costa "They are burning the tent and we had better get out." She said, "Oh, Mary, you had better stay in, because it is safer in here, and we could not burn," not realizing about the smoke.

Chairman WALSH. What time was that with relation to the time you went into the tent—how long afterwards?

Mrs. PETRUCCI. It was not more than 10 minutes after I was in there that the tent started on fire, and we soon became unconscious.

Chairman WALSH. You were in there 10 minutes before you lost consciousness?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. Before you lost consciousness did you realize that the tent was on fire?

Mrs. PETRUCCI. I seen that it was on fire.

Chairman WALSH. It was not on fire when you went in there?

Mrs. PETRUCCI. No, sir, or I would not have gone in.

Chairman WALSH. Were you unconscious all night?

Mrs. PETRUCCI. Yes, sir; until the next morning at half past 5.

Chairman WALSH. What was your first consciousness the next morning?

Mrs. PETRUCCI. Just as soon as I came out I went to look at my barrel for a drink of water, I was so suffocated, and then I happened to look back and there was five or six more tents that were not burned, and I was going to the depot, and when I was going to the depot there were guards coming down and I was looking back for fear they would shoot me.

Chairman WALSH. Now, did you suffer when you came to, Mrs. Petrucci? Were you in bad physical condition? Did you feel badly?

Mrs. PETRUCCI. I suppose I was worse than a drunken person. Every place I would go the road was all mine.

Chairman WALSH. The road—

Mrs. PETRUCCI (interrupting). Yes; like a drunken person.

Chairman WALSH. And how long did you feel that way that morning? How long did that last? That bad feeling?

Mrs. PETRUCCI. I don't know how long it lasted, because as soon as I got to Trinidad I had to go to bed.

Chairman WALSH. How long were you in bed?

Mrs. PETRUCCI. I was in bed nine days. I took pneumonia.

Chairman WALSH. Pneumonia, and in bed nine days?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. Now, did you suffer a great deal during that time and before you were taken to your bed?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. When did you get to Trinidad, and how were you taken to Trinidad?

Mrs. PETRUCCI. Well, I went up at the depot that morning, and when I got there somebody paid my ticket, and when I got in Trinidad I didn't know nothing, or didn't know nobody.

Chairman WALSH. Now, did you relate your experiences to the leaders of the miners after you got to Trinidad?

Mrs. PETRUCCI. No, sir.

Chairman WALSH. Who first did you tell your story to?

Mrs. PETRUCCI. I told my first story to Mrs. Champion.

Chairman WALSH. Is that a friend of yours?

Mrs. PETRUCCI. No; she lives in Denver.

Chairman WALSH. Mrs. Champion?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. She made an investigation down there?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. That was a lady that lived in Denver?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. And you told her this same story?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. Did you know your children were dead when you were taken out that morning?

Mrs. PETRUCCI. No, sir.

Chairman WALSH. And when did you find it out?

Mrs. PETRUCCI. Well, when I went around up to the depot, I sent Mrs. Holeran down to see, and she couldn't find this place where the children were.

Chairman WALSH. Have you ever been out of Colorado before this trip?

Mrs. PETRUCCI. No, sir.

Chairman WALSH. This is the first time, of course, you ever were in New York or these cities that you passed through?

Mrs. PETRUCCI. Oh, I was in Washington in May.

Chairman WALSH. You were in Washington in May?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. After this Ludlow affair?

Mrs. PETRUCCI. Yes.

Chairman WALSH. And that was the first time you were ever out of Colorado?

Mrs. PETRUCCI. Yes, sir.

Chairman WALSH. And you don't know what school facilities other people had?

Mrs. PETRUCCI. No.

Chairman WALSH. You didn't know, except from what you heard, that people went to church and got religious—

Mrs. PETRUCCI. Yes.

Chairman WALSH. You had just been told that. Did you go to church in Trinidad any?

Mrs. PETRUCCI. Yes.

Chairman WALSH. Was there any place in the towns in which you lived to which the people could resort for social intercourse—that is, to meet each other daily or nightly?

Mrs. PETRUCCI. No, sir.

Chairman WALSH. There was no such place?

Mrs. PETRUCCI. No.

Chairman WALSH. Did you have some questions, Mr. Weinstock?

Commissioner WEINSTOCK. Yes.

Chairman WALSH. Commissioner Weinstock would like to ask you some questions.

Commissioner WEINSTOCK. Do you know, Mrs. Petrucci, how the fire started?

Mrs. PETRUCCI. No; I do not.

Commissioner WEINSTOCK. You did not see the fire at the start?

Mrs. PETRUCCI. No; I did not see the fire at the start, because I had my cellar door shut; because the bullets were coming in there so thickly I had to close it. And when I saw it, it was kind of a stream across the door—there was, you know, that was carried down—you know I got out of my tent; it was all on blaze.

Commissioner WEINSTOCK. At the time you left the tent it was already on fire?

Mrs. PETRUCCI. Yes, sir.

Commissioner WEINSTOCK. That is, the fire had spread from one tent to another?

Mrs. PETRUCCI. Yes, sir.

Commissioner WEINSTOCK. All down the line?

Mrs. PETRUCCI. I don't know if it spread or they set them on fire, but I suppose some one set my tent on fire, because my tent was the first one burning.



Commissioner WEINSTOCK. The fire started in your tent?

Mrs. PETRUCCI. Yes, sir.

Commissioner WEINSTOCK. That was the beginning of the whole fire, right in your tent?

Mrs. PETRUCCI. Yes, sir.

Commissioner WEINSTOCK. What time of the day did that happen?

Mrs. PETRUCCI. Well, it happened in the evening, I guess about 6—

Commissioner WEINSTOCK. At night or in daylight?

Mrs. PETRUCCI. It was still light.

Commissioner WEINSTOCK. Did you notice anybody around your tent?

Mrs. PETRUCCI. No, sir.

Commissioner WEINSTOCK. Did the fire start inside the tent or outside?

Mrs. PETRUCCI. From the outside, it was, but when I saw it it was all on fire.

Commissioner WEINSTOCK. Were you in the tent when it took fire?

Mrs. PETRUCCI. Yes; I was inside of my cellar.

Commissioner WEINSTOCK. At the time the fire started?

Mrs. PETRUCCI. Yes, sir.

Commissioner WEINSTOCK. Then couldn't you tell how it happened?

Mrs. PETRUCCI. No, sir; I got frightened, you know. I had my three children with me, you know, and to save me—

Commissioner WEINSTOCK. Did you have a cellar in your tent?

Mrs. PETRUCCI. Yes.

Commissioner WEINSTOCK. And you were down in the cellar?

Mrs. PETRUCCI. Yes, sir.

Commissioner WEINSTOCK. And then when you saw the fire you came out of the cellar?

Mrs. PETRUCCI. Yes; I jumped out of the cellar with the baby in my lap, and then took one of the other children, one by one, by the hand and pulled them out of there and run into this cave.

Commissioner WEINSTOCK. What had become of your neighbors, the ones that had the tents next to you?

Mrs. PETRUCCI. I don't know. There were three of them in that hole—in that cellar.

Commissioner WEINSTOCK. With you?

Mrs. PETRUCCI. Yes, sir.

Commissioner WEINSTOCK. Then you took them from your cellar—

Mrs. PETRUCCI. No; they was not in my cellar; they were in this bedroom cellar that we just spoke about.

Commissioner WEINSTOCK. Now, let me make sure that I understand it. Did every tent have a cellar, too?

Mrs. PETRUCCI. Not every one of them.

Commissioner WEINSTOCK. Your tent had a cellar?

Mrs. PETRUCCI. Yes, sir.

Commissioner WEINSTOCK. And then this other tent that you went to also had a cellar?

Mrs. PETRUCCI. Yes, sir.

Commissioner WEINSTOCK. And then you came out of your cellar and went over to this other one?

Mrs. PETRUCCI. Yes, sir.

Commissioner WEINSTOCK. Now, as you came out of your tent to go to this other cellar did you notice any people around there?

Mrs. PETRUCCI. No, sir.

Commissioner WEINSTOCK. Nobody?

Mrs. PETRUCCI. No; just the militiamen under that tank.

Commissioner WEINSTOCK. How far were they from where you were?

Mrs. PETRUCCI. About 25 yards, I think.

Commissioner WEINSTOCK. They were the closest persons to your place?

Mrs. PETRUCCI. Yes, sir.

Commissioner WEINSTOCK. And you have no idea how the fire started?

Mrs. PETRUCCI. No, sir.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. Just one question. Did they keep away from you the knowledge of your children's death when you were taken out that morning?

Mrs. PETRUCCI. No, sir.

Chairman WALSH. Did the people tell you that your children were dead?

Mrs. PETRUCCI. No, sir.

Chairman WALSH. They took you right off to Trinidad?

Mrs. PETRUCCI. No. This—I sent Mrs. Holleran down to see if my children were alive yet. I sent her down, and nobody knowed that place.

Chairman WALSH. And what did this lady tell you? Did she tell you your children were dead?

Mrs. PETRUCCI. She did not.

Chairman WALSH. She did not find them?

Mrs. PETRUCCI. No, sir.

Chairman WALSH. And who went to Trinidad with you?

Mrs. PETRUCCI. There was lots more women up at the tent-colony depot.

Chairman WALSH. Did you try to find your children again before you went to Trinidad?

Mrs. PETRUCCI. No, sir.

Chairman WALSH. What did you think had become of them?

Mrs. PETRUCCI. I was not thinking any way.

Chairman WALSH. Your mind was in such a condition that you could not think?

Mrs. PETRUCCI. No, sir.

Chairman WALSH. Commissioner Lennon wants to ask you a question.

Commissioner LENNON. Were your children and the others found after you had gone to Trinidad?

Mrs. PETRUCCI. Yes, sir.

Commissioner LENNON. They were found afterwards?

Mrs. PETRUCCI. Yes, sir.

Commissioner LENNON. Those were all the children you had, were they—the three?

Mrs. PETRUCCI. I had four, and one had died the 7th day of March, and this was the 20th of April.

Chairman WALSH. Commissioner Ballard would like to ask you a question or two.

Commissioner BALLARD. Mrs. Petrucci, you finally came to yourself and came out yourself?

Mrs. PETRUCCI. Yes.

Commissioner BALLARD. And walked away?

Mrs. PETRUCCI. Yes, sir.

Commissioner BALLARD. You were sort of half dazed and half unconscious?

Mrs. PETRUCCI. Yes, sir.

Commissioner BALLARD. Do you remember whether, when you went in that cellar, whether the door was closed?

Mrs. PETRUCCI. It was open.

Commissioner BALLARD. The door was open?

Mrs. PETRUCCI. Yes, sir.

Commissioner BALLARD. And after you all got in there why it was closed, after the tent was on fire?

Mrs. PETRUCCI. No, sir. We couldn't close it because we didn't have time to.

Commissioner BALLARD. The door never was closed?

Mrs. PETRUCCI. No, sir.

Commissioner BALLARD. The smoke came right in?

Mrs. PETRUCCI. Yes, sir.

Commissioner BALLARD. Did you all pull any bedclothes over you or bed covers down there?

Mrs. PETRUCCI. I did not, but Mrs. Costa did. There was one in there, and she took it and put it over herself and her two children, and I asked her to give me some of it and she said there was not enough for herself.

Commissioner BALLARD. Well, how long had you been in the tent colony?

Mrs. PETRUCCI. Since January.

Commissioner BALLARD. And you liked it there very much?

Mrs. PETRUCCI. Yes, sir.

Commissioner BALLARD. Who paid the expenses while you were there?

Mrs. PETRUCCI. The union.

Commissioner BALLARD. Who is paying your expenses now?

Mrs. PETRUCCI. The union.

Commissioner BALLARD. That is all.

Chairman WALSH. Commissioner Garretson would like to ask you a question or two, Mrs. Petrucci.

Commissioner GARRETSON. Were you the only one that came out of that cellar alive?

Mrs. PETRUCCI. No, sir; I and another woman.



Commissioner GARRETSON. Did she regain consciousness before or after you did?

Mrs. PETRUCCI. She regained before I did.

Commissioner GARRETSON. Did she arouse you?

Mrs. PETRUCCI. No.

Commissioner GARRETSON. She left on her own volition?

Mrs. PETRUCCI. Yes, sir.

Commissioner GARRETSON. And you afterwards

Mrs. PETRUCCI. Yes, sir.

Commissioner GARRETSON. That is all, Mr. Chairman.

Chairman WALSH. That is all. Thank you very much, Mrs. Petrucci.

Call Mr. Lawson, please.

#### TESTIMONY OF MR. JOHN R. LAWSON—Recalled.

Chairman WALSH. Mr. Lawson, Commissioner Weinstock wanted you recalled for a few more questions, or some more questions.

Mr. LAWSON. Yes.

Chairman WALSH. Just take your seat.

Commissioner WEINSTOCK. You are international board member, district 15?

Mr. LAWSON. District 15.

Commissioner WEINSTOCK. United Mine Workers of America?

Mr. LAWSON. Yes, sir.

Commissioner WEINSTOCK. And you are also president of the State Federation of Labor of Colorado?

Mr. LAWSON. No, sir; that is a mistake. Mr. John McLennan is president of the State federation of labor.

Commissioner WEINSTOCK. I see. Well, for the information of this commission, Mr. Lawson, will you tell us what you know about a journal called the United Mine Workers' Journal?

Mr. LAWSON. That is the official organ of the United Mine Workers of America.

Mr. WEINSTOCK. It is published and owned by the United Mine Workers?

Mr. LAWSON. Yes, sir.

Commissioner WEINSTOCK. Well, is it regarded as a reliable journal?

Mr. LAWSON. I think it is by the miners; yes, sir.

Commissioner WEINSTOCK. That is, they have confidence in its character and in its integrity?

Mr. LAWSON. Yes, sir; I believe they have.

Commissioner WEINSTOCK. And the United Mine Workers' Journal would not knowingly or intentionally publish any misinformation, would it?

Mr. LAWSON. I believe not.

Commissioner WEINSTOCK. You yourself have confidence in its character and standing?

Mr. LAWSON. Yes, sir.

Commissioner WEINSTOCK. You remember that when you were on the witness stand the other day, Mr. Lawson, I read to you out of the records of the hearings a document that had been in evidence by the mine owners of Colorado which contained a set of resolutions adopted by the miners of Pennsylvania?

Mr. LAWSON. Yes, sir.

Commissioner WEINSTOCK. In which they charged—

Mr. LAWSON. Pardon me; you read that out of the Coal Age, I believe.

Commissioner WEINSTOCK. Well, it was a clipping from the Coal Age that I read from the Denver proceedings—that is, from our transcript of the testimony.

Mr. LAWSON. Yes, sir.

Commissioner WEINSTOCK. And you will recall that those resolutions, adopted by the mine owners, charged the United Mine Workers of America in Pennsylvania as having broken their contract.

Mr. LAWSON. Yes, sir.

Commissioner WEINSTOCK. And that there had been a hundred strikes in violation of their contracts?

Mr. LAWSON. Yes; that was the charge, as I recollect.

Commissioner WEINSTOCK. Now, to refresh your memory and mine, let me read from the proceedings of the other day just what was said.

Mr. LAWSON. Yes, sir.

Commissioner WEINSTOCK (reading): "In the document that you read yesterday afternoon to the commission, among other things as nearly as I can recall the language, you made the statement and went on to say that you believed that the United Mine Workers of America were worthy to be recognized and dealt with because they always observed their contracts.

"Answer. Yes, sir.

"Question. That they had not violated any of their agreements?—Answer. Yes; I made that statement, or a statement similar to that.

"Question. That was the substance?—Answer. Yes; that is the substance.

"Question. You note the claim is made here—referring, of course, to the resolutions passed by the employers—that there were a hundred strikes in violation of their contract?—Answer. Yes; I have heard that claimed so many times all over the country that it is familiar to me.

"Question. Is it a fact?—Answer. No; it is not a fact.

"Question. How many strikes did take place in violation of the contract?—Answer. There might have been, and I will be as fair as I can in this matter—let me admit that there may have been here and there in this country a local strike wherein some members of the local union who were not perhaps good union men, succeeded in misguiding members of that particular local. Those very few instances have been charged up against the United Mine Workers of America as a violation of contract when, as a fact, in nearly every instance I can recall that has ever come before the international executive board, and I have been a member of that board since 1905, the matter has been taken up and the men have either gone back to work and stayed at work under the contract, or the charter has been taken away from them, and they have been put out of the union.

"Question. Now, seemingly from the resolutions passed by the mine owners the union officials were utterly unable to carry out their part of the agreement. There is nothing to indicate to us that these men were disciplined or that the charter was taken away or that they were ordered to go back to work unless you have testimony to that effect.—Answer. In the first place, I want to again call you attention to the fact that the Coal Age is one of the official journals of the operators.

"Question. The Coal Age is not saying this. This resolution was passed by the operators.—Answer. That is the same thing, so far as I am concerned.

"Question. The Coal Age simply published it.—Answer. The operators are making the contention there that these things are taking place, and until I could know all of the facts and what action was taken by Mr. Gilday or by the international executive board I would not be in a position to answer that question as you would desire to have it answered; but I am not willing to admit that the miners' organization of any State violated the law without more full information."

If you were here when Mr. Mitchell was being examined, you must remember that I put the same question to him, and that Mr. Mitchell answered substantially as you did, that he was not familiar with the facts and therefore was not in a position to make answer. Whereupon I asked that this letter be sent to the mine operators—or rather I wrote a letter to Prof. Charles McCarthy, who is managing director of our commission and has charge of the machinery of the commission—and I wrote to him as follows [reading]:

"Among the charges made by the Colorado coal operators against the United Mine Workers of America is that the unions are contract breakers; and as proof thereof they have submitted at our Denver hearing a set of resolutions adopted by the coal operators of Pennsylvania, which set forth that in over a hundred instances did the United Mine Workers of America break their contract and go on strike despite a provision in the contract that there should be no cessation of work, but that all disputes should be submitted for peaceful adjudication.

"The attention of Mr. John McLennan, of Colorado, and also Mr. John Mitchell, while testifying before the commission, was called to these alleged violations. Neither of these witnesses, however, were sufficiently familiar with the facts to answer the charge.

"I think it of great importance in our work to know authoritatively what are the facts. I therefore ask that you have a circular letter sent to every coal company in the country asking what has been their experience in the matter of the observance of agreements on the part of the coal miners and to cite specific



instances where contracts, if any, were broken. It might be well in this same circular to ask each company also to state what advantages and disadvantages they find in unionizing their mines."

Since I dictated that letter, Mr. Lawson, there has come into my possession a clipping from the United Mine Workers Journal, which, you tell us, is the official organ of the United Mine Workers of America and which is dependable and reliable and which would not knowingly or intentionally publish any misstatement—

MR. LAWSON (interrupting). Yes, sir; that is my judgment.

Commissioner WEINSTOCK. I have here a communication sent to the United Mine Workers Journal by Mr. W. O. Smith, who, from all I can learn, is president of ex-chairman of the executive committee of the Kentucky district of the United Mine Workers of America.

MR. LAWSON. Yes.

Commissioner WEINSTOCK. I take it that he represents probably the highest type of unionist; that he seemingly is a man of influence within the union, because, as he goes on to recite here, he was asked by the unionists to intercede in their behalf and in the interest of certain strikers in a certain coal mine to get them reinstated. Now, I have found in my experience, Mr. Lawson, two kinds of unionists. I have found one type of unionist who substantially says: "May unionism ever be right; but, right or wrong, unionism." I have another type of unionist who says, substantially: "May unionism ever be in the right and may it ever strive to right wrongs; but when it is in the wrong and when it ceases to right wrongs I am no longer a unionist."

I want to say, further, before I read this, Mr. Lawson, and invite your comments on it, that I have also found two kinds of critics of unionism, the one critic who slaps the unionist on the back and calls him a horny-fisted son of the soil, but who takes mighty good care not to call the attention of that unionist to the weaknesses and failings and shortcomings of unionism. I have found other critics of unionism like the man whose letter I am about to read, who is a real friend of the unionists, and in a friendly and helpful spirit does not hesitate to point out to the unionist and to unionism its shortcomings and failings, in order that it might be better able to correct those shortcomings and failings, and who therefore, in my judgment, is the best friend of unionism. You will recall that when Dr. Eliot was on the witness stand that he made the statement that in his opinion some of the worst enemies of unionism were to be found within its own ranks—the unionist who was a contract breaker, the unionist who was a violator of law.

Now, Mr. Smith in sending his communication to the United Mine Workers of America Journal has this to say in the matter of contract breaking. He says, among other things [reading]:

"For many years the United Mine Workers of America has preached and practiced the doctrine of the inviolability of contracts, and by so doing has won the respect and confidence of the general public—a mighty influence, affecting all industrial disputes and conflicts. But for the past two or three years this respect and confidence has been waning, not because the officials have failed to do their duty, but because of the indifference of the conservative members of our unions and the activity of the later radical element, which is responsible for the greatest menace that has ever threatened the United Mine Workers of America—the local strike. During the past two or three years the international, as well as the district and subdistrict officials, have been confronted with many perplexing problems, some of which seem to threaten the very life of the organization; but I believe I am safe in saying that no problem has given them as much concern as the problem of local strikes in violation of agreements.

"Thousands of dollars are expended every year in the effort to organize the 250,000 nonunion miners in the United States, while hundreds of our members go on strikes almost every day in absolute inexcusable violation of existing agreements."

Now, here we have testimony from a most reliable source and from the ranks of unionism itself that the United Mine Workers of America are contract breakers; and your comment is in brackets.

MR. LAWSON. I think, Mr. Weinstock, the letter of Mr. Smith might be well taken as an honest criticism by a member of our organization or by an official who has a desire—as I believe every good member of our union or every good official of our organization—to show that the organization is maintained through the fact that it does not believe in violations of contracts. I believe that is one of the things that the organization can boast most proudly about, is the fact

that it does not violate its contracts when once entered into. I desire to reiterate that statement and make it just as strong and emphatic as I know how.

This statement from Mr. Smith has reference to individual membership and, perhaps, local unions. I want at this point, first, to draw your attention to the fact that there is a channel through which every single grievance, whether it be from a member in our ranks or whether it may come from a local union or a subdistrict or from officials in the organization; and the operators who have signed a contract with our organization have also and likewise the proper channels in which and through which to take their grievances up to the head of our organization. And I want to say, again, and make it as strong as I know how, there never has yet come, to my knowledge, since I have been a member of the international board since 1905—and I don't know of any before that time from reading the records of the organization—when our international board have ever encouraged or sanctioned a violation of contract.

Now, in regard to this letter, I think, and I know Mr. Smith, I think he is a bright, honest, and good member of our union. He was at one time president of the Kentucky miners. This man may see or may think he sees a danger confronting the organization from even the individual violations of contracts, but to cite you an illustration, Mr. Weinstock, I have read in the public press of this country many times lately articles drawing the attention of the National Government of this country to the fact that New York is without protection in case it was invaded by one of the countries now at war, and San Francisco is in the same position. Any man in this country, whether he be a citizen of the humblest rank or whether he be in some official capacity, would have a perfect right, in my judgment, to offer an honest criticism of any weakness in our Government or point out any danger ahead. That is what Mr. Smith has done, and I appreciate his effort, and I think he is working along the right line. This organization does not want and does not believe in and does not foster and will not encourage the violation of contracts, and I want to say again, as in international representative, I have been sent to various States in this Union outside of my own district; for illustration, I have been sent to Wyoming to adjust grievances there between the miners and the operators. I have been sent to Montana on the same mission. I have gone to Washington—the State of Washington—on the same mission. And each and every time the record will show that where the men were wrong they either went back and resumed work at once or they were told their charter would be taken off the wall and away from them. That has happened a great many times in our organization, but I think you will agree with me that in an organization of something over 400,000 mine workers men from all walks of life, men of so many different nationalities—for illustration, in Colorado we had 32 different nationalities in the coal mines in Colorado, and I think you will agree with me that with that great conglomeration of different nationalities, if I may call it such, men who are brought to this country by the operators, men who have not had a chance to understand what unionism means, men who have not been members of organizations long enough to get the education that we are trying to give them, Mr. Weinstock, men who do not understand how necessary it is not to violate contracts—sometimes those men do make mistakes, and sometimes men who are sent into our union by the coal companies and are paid as spies come into our union and work on our union members, and they themselves bring about and encourage discontent and do what they can to stir up local strikes.

Commissioner WEINSTOCK. May I ask, Mr. Lawson, are you a member of the I. W. W.?

MR. LAWSON. No, sir; and I want to say this in connection with that: Our organization, the United Mine Workers of America, have no connection at all with the I. W. W.

Commissioner WEINSTOCK. You are, of course, familiar with the doctrines of the I. W. W. more or less, as most laboring men are?

MR. LAWSON. Well, I am somewhat, as an ordinary citizen would be, perhaps.

Commissioner WEINSTOCK. You are, among other things, that they advocate and practice an utter disregard for contracts?

MR. LAWSON. I only know what I see in the press about those things, Mr. Weinstock. I can not speak authoritatively on that question, because we have no connection with the I. W. W.

Commissioner WEINSTOCK. Well, I can speak authoritatively on the question, because I have had occasion to investigate the I. W. W.

MR. LAWSON. Yes.



Commissioner WEINSTOCK. I am thoroughly familiar with their literature and doctrines and preachments, and unless you may be prepared to dispute them—

Mr. LAWSON (interrupting). I would be glad to hear it.

Commissioner WEINSTOCK (continuing). That one of the officials—one of their chief tenets is that they will not respect contracts; that they feel themselves at liberty, whenever it suits their purpose, to break a contract at their will.

Mr. LAWSON. Yes.

Commissioner WEINSTOCK. Now, that being the case, if you were an employer, Mr. LAWSON, would you care to enter into an agreement with the I. W. W., knowing beforehand that it would not be respected?

Mr. LAWSON. Well, in the first place, as I have stated, I have no personal knowledge—

Commissioner WEINSTOCK (interrupting). But if the facts were as I stated them to you, would you care to enter into an agreement with them—

Mr. LAWSON (interrupting). Our organization does not have any dealings with the I. W. W., and in the third place, as limited as my knowledge is, I understand that they do not make contracts.

Commissioner WEINSTOCK. They do, but they break them at will. Now, if you were an employer—this is my question—

Mr. LAWSON. Yes.

Commissioner WEINSTOCK. Let us get it straight. If you were an employer and knew that the I. W. W.'s were contract breakers, that they did not make any secret of it, but shouted it from the housetops and stated it frankly and candidly and openly, would you enter into a contract with them?

Mr. LAWSON. Well, I would have to answer that by asking this very brief question, because I haven't knowledge, Mr. Weinstock, if you will excuse me, but do you know of the I. W. W.'s making contracts anywhere in which they keep them?

Commissioner WEINSTOCK. No; I don't know whether they keep them. I do know that they break them at will, and that they themselves tell you so frankly, and make no bones about it.

Mr. LAWSON. I think like this, about any organization, just the same as I feel about the operators, if their word is not good I am chary about accepting their word after they break it once. I agree to that.

Commissioner WEINSTOCK. Very true. In other words, you, in common with the rest of us, feel that it is useless to waste time with a group that are unreliable and that will not make good on keeping faith?

Mr. LAWSON. I have always made it a rule, Mr. Weinstock, never to trust any man who lied to me.

Commissioner WEINSTOCK. A very wise rule, Mr. Lawson. Now, just as I, for example, from my knowledge, look upon the I. W. W.'s, it is very evident that the operators of Colorado looked upon the United Mine Workers of America—

Mr. LAWSON (interrupting). Well—

Commissioner WEINSTOCK (interrupting). Pardon me. As evidence that in their opinion that the United Mine Workers of America were either unwilling or unable to keep their contracts, they submitted to this commission the experience of Pennsylvania mine owners, who claimed that in a hundred cases the workers had deliberately broken their contracts and gone out on strike against their agreement. Now comes this corroborative testimony from within the ranks of the United Mine Workers of America, not expressing opinions, not saying what might happen, but saying what has and is happening. The language here is unmistakable. Mr. Smith says [reading]:

"Thousands of dollars are expended every year in an effort to organize the 250,000 nonunion miners in the United States, while hundreds of our members go on strike almost every day in absolute inexcusable violation of existing agreements."

Now, in the face of those facts can you blame employers if they should decline to do business with the United Mine Workers of America on the ground that however earnest and however zealous and however well meaning the officials may be they are unable to deliver the goods?

Mr. LAWSON. Let me go back just a little to make my answer, Mr. Weinstock; you draw the comparison between the I. W. W. and the coal miners' union. Of course, I can not speak for the I. W. W. organization, and I have so stated; but I can talk for the United Mine Workers of America. And I want

to say if your investigations were not more thorough toward the I. W. W. than the investigation of the coal operators who have taken snap judgment and have condemned the entire organization because of what they claim is certain local violations of contracts, then I am afraid that you have not investigated it very thoroughly.

Commissioner WEINSTOCK. But let me remind you, Mr. Lawson, that it is not necessary to investigate the I. W. W. on that for they admit it, they plead guilty.

Mr. LAWSON. We do not do that.

Commissioner WEINSTOCK. But here are the evidences.

Mr. LAWSON. No; I beg your pardon; that is not evidence. That is a statement written in our official journal, or published in our official journal as a warning, and as a criticism just the same as you can hear in any church in this town on any Sunday that you want to go to church; the minister will get up and tell men and women that if they do not be good they will go to some place else. I do not think those are facts. That is a letter, and it states quite specifically, I think it is plain. It is a warning against violation of contract, and I think that ought to be used from my side of this argument, showing you that we do not believe in the violation of contract.

Commissioner WEINSTOCK. Please let me remind you again, Mr. Lawson, that it does not say, If you will violate the contracts in the future such and such will happen, but it says, "You have been and are violating contracts now every day."

Mr. LAWSON. Does it state where.

Commissioner WEINSTOCK. No; it does not state where, but it makes it a common condition.

Mr. LAWSON. I want to repeat again for the benefit of the commission and of the record, my statement that I defy the coal operators, any or all of them in the United States, to point to a single instance where the international executive board has ever sanctioned or encouraged a violation of contract in this country or in Canada.

Commissioner WEINSTOCK. This does not say so, nor did the letter or the resolutions passed by the employers of Pennsylvania say so; it did not charge the officials. It simply says—this indicates clearly, as did the resolutions passed by the employers, that the officers were unable to control the rank and file; that the officers were unable to compel the rank and file to make good.

Mr. LAWSON. On that point I want to direct your attention to one point: If you will investigate central Pennsylvania, where Mr. Gilday was president, you will find in a large measure, at least, that they did not have any check off in that part of the State, and because of that fact there are a great many men, some members perhaps of our union, who are not under the same discipline as are the miners where they have the check off. That is where the check off is an advantage to the operators, and they can not violate their contracts, either as a local or as individuals where they have the check off.

Commissioner WEINSTOCK. That is all, Mr. Chairman.

Chairman WALSH. Mr. O'Connell would like to ask a question or two.

Commissioner O'CONNELL. Mr. Lawson, in Commissioner Weinstock's introduction of this subject he asked you to certify to the fact that the Miners' Journal was the official organ, and that its contents therefore were certified to because it was that organ.

Mr. LAWSON. Yes, sir.

Commissioner O'CONNELL. That is the sense of his proposition?

Mr. LAWSON. Yes, sir.

Commissioner WEINSTOCK. No; if you will pardon the interruption, that was not exactly the thought I had in mind; I did not expect the Journal to certify to anything. My question was, would it knowingly and intentionally publish any misinformation, and the answer was no.

Commissioner O'CONNELL. In other words, if it was published in this Journal it was a certification that established that.

Mr. LAWSON. Yes.

Commissioner O'CONNELL. That is a signed article and not an editorial?

Mr. LAWSON. Yes, sir; that is correct.

Commissioner O'CONNELL. That is a contributed article signed by a member of your organization?

Mr. LAWSON. Yes, sir.

Commissioner O'CONNELL. And published in that open forum of your organization?



Mr. LAWSON. Yes, sir.

Commissioner O'CONNELL. And the editor of the Journal has no say in the matter at all, he must publish it; each member has a right to send in those communications for publication?

Mr. LAWSON. Yes, sir; and I am glad you brought that out.

Commissioner O'CONNELL. So that this article, simply by being published in your magazine, has no more weight as a truth than if it was published in any other publication issued and distributed publicly to the people?

Mr. LAWSON. No, sir.

Commissioner O'CONNELL. The fact that it was published in your open forum does not make it any more a truth or a lie than if it was published anywhere else?

Mr. LAWSON. No, sir.

Commissioner O'CONNELL. If, however, the editor had written this, or the international president of your organization had written it, and written it as coming from John P. White, president of the United Mine Workers of America, he would have been speaking as the spokesman of your organization?

Mr. LAWSON. Yes, sir.

Commissioner O'CONNELL. So that this article simply is entitled to no more credence as being true or untrue because of its being published in the Journal of your organization than if it was published in the Manufacturers' Journal, or the Journal of the I. W. W., if it happened to get one out?

Mr. LAWSON. No, sir. May I comment on that point?

Commissioner O'CONNELL. Yes.

Mr. LAWSON. Your statement is exactly correct, and I had that point in mind, but I overlooked it as we talked at some length on the question. In the forum, when our members send letters to it, if they sign their names to the communications, or whatever they may be, they are usually published perhaps without the editor giving it very much consideration, especially if it is along the line of criticism against the miners in the organization or against the policies of the organization. It is up to the editor to publish all those articles or as many of them as they can get in.

Commissioner O'CONNELL. Now, Mr. Lawson, as to this effort to make of your organization a contract-breaking organization, or nonrespecting contract organization, in order that we may understand, your organization does not make, through its local union, or its membership, local contracts here and there in this coal field and that coal field and the other coal field?

Mr. LAWSON. No, sir.

Commissioner O'CONNELL. Those contracts are made with the operators' association, covering the entire territory or coal field?

Mr. LAWSON. Yes, sir.

Commissioner O'CONNELL. A contract is made for two or three States, for instance?

Mr. LAWSON. Yes.

Commissioner O'CONNELL. One contract covers that entire territory?

Mr. LAWSON. Yes, sir.

Commissioner O'CONNELL. And the individual member is not a signer of that contract?

Mr. LAWSON. No.

Commissioner O'CONNELL. And in that territory there may be men who speak 15 or 20 different languages?

Mr. LAWSON. Yes, sir.

Commissioner O'CONNELL. There are all nationalities employed in that coal field?

Mr. LAWSON. Yes, sir.

Commissioner O'CONNELL. And the fact that one individual out of several thousand, or 10,000, or, as in the State of Illinois, 80,000 to 100,000 miners are employed—the fact that at one tittle a man quits work in what may technically be called violation of contract—he stops work or refuses to do his work, and the rest of the men have to stop on that account—that is called by the operators a violation of contract, is it?

Mr. LAWSON. Yes, sir.

Commissioner O'CONNELL. And with possibly from 80,000 to 100,000 miners in one State under contract, it is easily possible for 100 violations of contract, so far as the workers are concerned, to take place in a day?

Mr. LAWSON. Yes.

Commissioner O'CONNELL. And yet no great damage has been done?

Mr. LAWSON. No.

Commissioner O'CONNELL. And the great fundamental principle underlying the contract made between your organization and the operators has not been violated?

Mr. LAWSON. No, sir.

Commissioner O'CONNELL. Your organization, as an organization—the international organization—your executive board, has not violated contracts that you have signed for your organization?

Mr. LAWSON. No.

Commissioner O'CONNELL. It is the individual here and there who takes upon himself to say, "I will not do this," or "I will not do that," and he stops work and that may result in others stopping work?

Mr. LAWSON. Yes, sir.

Commissioner O'CONNELL. That, however, is only an incident to your general contract?

Mr. LAWSON. That is all.

Commissioner O'CONNELL. Have you ever violated a contract with the Colorado coal operators?

Mr. LAWSON. No, sir.

Commissioner O'CONNELL. You have never had a chance, have you?

Mr. LAWSON. Well, yes.

Commissioner O'CONNELL. In the northern fields, in the field of the present difficulty, where you have been charged with being contract breakers, have you ever broken contracts with them?

Mr. LAWSON. Not with the C. F. & I. or the Victor-American.

Commissioner O'CONNELL. Have you ever had an opportunity to break a contract with them?

Mr. LAWSON. No, sir; we never signed with them.

Commissioner O'CONNELL. Then, their charging you with being contract breakers is hearsay entirely?

Mr. LAWSON. Yes, sir.

Commissioner O'CONNELL. They have never tested your honesty or integrity as to whether you would break a contract?

Mr. LAWSON. No, sir.

Commissioner O'CONNELL. But they are taking the statement of some operator in some other territory that you are a thief?

Mr. LAWSON. Yes, sir.

Commissioner O'CONNELL. Just the same as trying to make a thief out of a man because some one in his family stole?

Mr. LAWSON. It is just along the lines you have stated, Mr. O'Connell. We can not expect the entire organization to be held responsible for a violation—that is, a technical violation of a contract by some individual member, or a dozen members, any more than we can expect the operator to be blamed as an operators' association if some individual operator should violate his contract.

Commissioner O'CONNELL. As to the I. W. W., Mr. Weinstock says that the I. W. W. makes contracts and that it will break contracts. We have had before this commission the officers of two factions, one known as the Chicago faction and one known as the Detroit faction, having different methods and different theories; one practicing what they at all times preach—destruction—and stating that they do not make contracts with anybody, and the other the reverse; they make contracts and say they will break them at their will. Now, Mr. Weinstock asked you if you would, as an employer, make a contract with an organization that told you beforehand that they would not keep a contract. Would not the answer be largely based upon how badly you wanted men to work for you whether you would make a contract with them or not?

Mr. LAWSON. Yes, sir; I rather think it would.

Commissioner O'CONNELL. If you wanted men, and had to have them, you would make a contract; and if you did not want—did not need—the men, you would dictate whether you would contract with them or not.

Mr. LAWSON. Yes.

Commissioner O'CONNELL. The whole proposition is based on whether you have the men or need them?

Mr. LAWSON. Yes, sir; I think it would very largely depend on that. There is one thing more, Mr. O'Connell, to which I want to draw attention in connection with this matter. The operators of our State who have never had any contracts with us are the people who are going about and shouting from the



housetops, as Mr. Weinstock has said the I. W. W. do. Now, they may do that, I don't know, but I do know that the operators of Colorado are, and have been for a long time, shouting from the housetops that we, as the United Mine Workers, are contract breakers. I want to draw attention again to this other particular, and as Mr. Costigan well said yesterday, "Men ought to come into court with clean hands" when they come at all and especially when they bring a grievance.

I have in my hand a partial list of the labor and mining laws of our State, and I want to say that there are a dozen or more of those laws, and there are no better labor or mining laws in the United States than we have on the statute books of Colorado. And I want to make this statement before this commission, and I want to make it also as emphatic as I can, that certain operators, and I will select as example the Colorado Fuel & Iron Co., have violated continuously and repeatedly for a great many years every single law of these dozen laws I hold in my hands up until about two years ago. Within that period of time they have posted notices at their mine, "We will live up to the checkweighman law"; "We will give miners the 8-hour day"; "We will pay twice a month," and "We will abolish the scrip." And they also have abolished paying company store orders for postal money orders. Now, if the operators were trying to contend, and they are, that the United Mine Workers are contract violators, why don't they themselves live up to the law of the State and then come in and say, "We will keep contracts"?

Commissioner WEINSTOCK. Is it not a fact, Mr. Lawson, according to your own statement, that the companies simply have seen salvation and have reformed?

Mr. LAWSON. No, sir.

Commissioner WEINSTOCK. You say that for the past two years they have observed the law.

Mr. LAWSON. No; I did not mean to say two years. I will tell you what they saw; they saw the handwriting on the wall of the United Mine Workers of America. That is what they saw.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. Commissioner Ballard would like to ask a question or two.

Commissioner BALLARD. I was just going to ask—apparently the Colorado Fuel & Iron Co., who control that group of operators there are very determined not to treat with the United Mine Workers of America?

Mr. LAWSON. That is so.

Commissioner BALLARD. And also, coming back to that claim of contract breakers, can you suggest any reason for that feeling on the part of the operators? Has there been any quarrel or trouble, or what is it all about?

Mr. LAWSON. Yes; I can suggest a reason for it. It is not because of any quarrel or trouble between the United Mine Workers of America as an organization and the Colorado Fuel & Iron Co.; it is because they can not keep their coal camps closed while dealing with the union; it is because they have to comply with the laws of the State, which means the checkweighman, which means that they can not have company stores where the people have to sneak their trunks out of camps and go to Trinidad or some other town and buy the necessities of life and then sneak them back again, because if they do not they will lose their jobs and go down the canyon; they can not have their own company doctors, which we call horse doctors, and they can not hire company marshals to intimidate the people in the camps. When they sign a contract with the union they are compelled, through the agreement, to stipulate what they shall pay for all kinds of work, whether it be piecework or daywork or yardage, or contract work, or so much a ton, and so forth. Those are the reasons they do not want the union; they know they have to pay for those things, and they know they have to pay every man alike for like service. They can not take some poor man that they bring in from southern Europe who has perhaps never seen a coal mine before and expose him to the dangers of coal mining, and keep that man in poverty or peonage, which are the same things in reality.

Chairman WALSH. Commissioner Commons would like to ask a question.

Commissioner COMMONS. What are the rules of your organization requiring discipline of a local union that goes out on an illegal strike?

Mr. LAWSON. I think I have here—

Commissioner COMMONS (interrupting). You do not need to read it, you can just state it.

Mr. LAWSON. A local union that goes on a strike in violation of its contract is ordered back to work at once.

Commissioner COMMONS. By whom?

Mr. LAWSON. First, by the district officials.

Commissioner COMMONS. And then if they do not go back to work, what?

Mr. LAWSON. Then by the international president, international executive board, or international convention; it would be in rotation; and if they refuse they violate their charter and are no longer a member of our organization.

Commissioner COMMONS. Who can take away the charter?

Mr. LAWSON. The international president, the international board, or the international convention.

Commissioner COMMONS. Can a district organizer do it?

Mr. LAWSON. No, sir; the district officers can not take away charters; but they can have it taken away by the international president, board, or convention.

Commissioner COMMONS. As I understand it, both Mr. O'Connell and you agree that there have been violation of agreements by local unions.

Commissioner O'CONNELL. No; I did not speak of local unions; I spoke of individuals.

Commissioner COMMONS. Have you had occasion, in the history of your organization, when individuals have gone out and the local union has gone out, to back them up, in violation of agreements?

Mr. LAWSON. I have known of several occasions where the local union has stopped work, yes, sir; and on each of those occasions an officer has been sent to that local union—to that community—and those men have been sent back to work at once, always with the understanding that if they did not return immediately to work they would be put out of the organization. As I stated before, I went to Wyoming, Montana, and Washington on cases similar to this where they had grievances that had not been settled.

Commissioner COMMONS. They had quit work anyhow?

Mr. LAWSON. Yes; at several places.

Commissioner COMMONS. You might not call it a strike?

Mr. LAWSON. Yes; there was a dispute as to whether the contract was being lived up to in each instance by the operators, and I want to say this much, that in each of them it was a question of both the local union and the operators violating the contract together—they both violated it before they got through with it.

Commissioner COMMONS. Has it ever been necessary for your international organization to revoke the charter of a local organization?

Mr. LAWSON. I think they have revoked the charter of a local organization in the Southwest; but I can not give the name of the local union. I think there have been a few, but not many. A threat to do so is generally sufficient.

Commissioner COMMONS. Your records would show to what extent you have revoked charters, would they not?

Mr. LAWSON. Yes; if there have been any revoked.

Commissioner COMMONS. You think it has occurred, do you, once or twice?

Mr. LAWSON. It seems to me so, but I won't be sure. I remember several occasions where the board has taken action, where the president has taken action, and even the convention has taken action, notifying certain unions that if they did not comply with the terms of the contract and continue to comply with it, they would revoke their charters.

Commissioner COMMONS. What is the longest time any local union has been out on an illegal strike or quit work of this kind when an officer ordered them back?

Mr. LAWSON. I could not answer that just in the proper way, perhaps, because I do not know how long—not very long. It depends in this way, for illustration: If you were an operator and got into a quarrel with the men working in your mine, and it may be that you have violated the contract yourself, as I have said so many have done, and before you got through, instead of taking your grievance through its proper channel the men and you got into a fight and they stopped work, it may be some time before you take your case up to the international organization. Some of the operators do not want to do so, because they want to get into a fight with the men.

Commissioner COMMONS. I suppose this is the kind of case Mr. Weinstock speaks of in Pennsylvania, where they quit work and went back to work shortly afterwards when the officers came?



Mr. LAWSON. I don't know exactly, but I know in that part of Pennsylvania they have different conditions; they do not have the complete check off and the same discipline does not prevail there that prevails, for instance, in Iowa.

Chairman WALSH. At this point the hearing will stand adjourned until tomorrow morning at 10 o'clock. Please be in attendance so that you may be recalled, Mr. Lawson.

(Thereupon, at 4.45 o'clock p. m., Wednesday, February 3, 1915, an adjournment was taken until Thursday morning, February 4, 1915, at 10 o'clock.)

NEW YORK CITY, February 4, 1915—10 a. m.

Present: Chairman Walsh, Commissioners O'Connell, Lennon, Harriman, Ballard, Weinstock, and Garretson.

Chairman WALSH. Please be in order. The commission will now resume.

Mr. Lawson, please resume the stand. Dr. Commons does not seem to be here, and Mr. Lennon would like to ask a few questions.

#### TESTIMONY OF MR. JOHN R. LAWSON—Continued.

Mr. LAWSON. Mr. Chairman, before being asked any questions I would like to make a very brief statement.

Chairman WALSH. Very well.

Mr. LAWSON. My attention has been called to a statement issued through the press, supposed to be some of my testimony of a few days ago, to the effect that in 1903 I am supposed to have said that Mr. Rockefeller had made a statement that the miners and agitators would be run out of the State. I want to say that that is not a correct statement of my testimony, and I make the statement in this manner so that no injustice will be done Mr. Rockefeller or anyone else.

The statement I made was concerning the governor of Utah. The governor of Utah was reported through the press in either late November or early December of 1903 as having stated that if the miners of Utah went on strike they would be run out of the State of Utah.

My statement concerning Mr. Rockefeller was with reference to his testimony in Washington at the congressional hearing, on April 6, 1914, or just two weeks before the Ludlow affair.

And I would like also to supplement my answer to Mr. Weinstock concerning the purposes of our organization and to show why men do not desire to violate, or rather the organization does not desire to violate our contracts. The objects of our organization are to protect the lives and limbs and the health of men in and around the coal mines, to raise wages, to shorten the hours of labor, to improve the home life, and to make the home life more happy and comfortable; to demand that the child of every man shall have equal opportunity for education; to care for the sick, to bury the dead, to assist the widows and orphans, to raise the standards of citizenship and to secure industrial justice. I want to say that in attempting to raise the standards of citizenship there is no better way than I know of than through education, and to educate the men that when they make contracts with employers it is absolutely necessary for them to keep their contracts.

Commissioner WEINSTOCK. May I be permitted just one word at this point?

Chairman WALSH. Yes, sir.

Commissioner WEINSTOCK. I simply want to correct your point of view, Mr. Lawson, in relation to the questions that were put to you on the matter of contract breaking. It is not the contention of anybody that I have heard or anything I have read that the United Mine Workers of America start out deliberately and intentionally, like the I. W. W., to break contracts. It is conceded that the aim and hope and the desire of the United Mine Workers of America is to observe contracts.

Mr. LAWSON. Yes, sir.

Commissioner WEINSTOCK. But the facts that have been presented would indicate that in a goodly number of instances they have been unable to make good; they have not been able to deliver the goods.

Mr. LAWSON. Purely of a local character.

Commissioner WEINSTOCK. But widespread.

Mr. LAWSON. Over a territory embracing the United States and Canada.

Commissioner WEINSTOCK. You heard the statements as they were presented to you?

Mr. LAWSON. Yes.

Commissioner LENNON. Can you tell us, approximately, how many local unions there are in the United Mine Workers?

Mr. LAWSON. Something about 3,000, if my recollection is clear.

Commissioner LENNON. Do you know as to whether in these local unions the miners work in more than one mine belonging to one local union? Are there local unions containing workers from two, three, or four different mines?

Mr. LAWSON. Sometimes there are. It depends on the size of the mine and in what vicinity. I have known a good many cases where they are.

Commissioner LENNON. Well, that would mean possibly that in the country there were operated somewhere from 3,000 to 5,000 mines.

Mr. LAWSON. Yes.

Commissioner LENNON. In a general way?

Mr. LAWSON. Yes; I should think so; at least that many, and I think more.

Commissioner LENNON. You have been a member of the general board of the international for some time, have you not?

Mr. LAWSON. I was elected a member of the international executive board in 1905.

Commissioner LENNON. And it has been your duty, along with other members of the board, and the president, to go to places where difficulties arise and endeavor to settle them, is that true?

Mr. LAWSON. Yes; I have been sent by the international president quite a number of times to do that work.

Commissioner LENNON. In making those investigations and attempting a settlement, did you find in any cases that wherever there was violation of contract it was always the fault of the miners, or that sometimes the operators broke the contracts?

Mr. LAWSON. My experience has been in nearly every instance, I won't say every instance, but in nearly every instance where the contract had been broken by the miners, it was broken by both miners and operators about the same time; or it came up through their grievances that the miners had at the mine.

Commissioner LENNON. Did it not arise sometimes from an interpretation of an agreement where both sides got stubborn and both were responsible for the cessation of work?

Mr. LAWSON. Yes; it nearly always came about because of misinterpretation, we may call it, of the agreement by one side or the other.

Commissioner LENNON. Do you believe that the record could be secured indicating the causes of these cessations of work, as to whether the responsibility lay with the United Mine Workers of America or the employers, or in such cases as might lie equally with both—could any approximate record be had of that?

Mr. LAWSON. I think from our international office we could get such a record. Commissioner LENNON. Would you undertake, for the commission, to get a record of that kind for the Pennsylvania district, for Illinois and Iowa—say, those three States.

Mr. LAWSON. Yes.

Commissioner LENNON. You need not go any farther. That will be sufficient to properly show the general tendency.

Mr. LAWSON. Yes, sir; you have reference to district No. 2, which Mr. Gilday was president of?

Commissioner LENNON. Yes.

Mr. LAWSON. Districts 2, 12, and 13?

Commissioner LENNON. That is all of Illinois?

Mr. LAWSON. And Iowa.

Commissioner LENNON. I could testify a lot about Illinois, but that is not my province. Now, I would like to ask if you can give any testimony or whether you can cite this commission to where testimony can be had as to whether or not there was purposely firing on the tents in the tent colony by the guards or militia?

Mr. LAWSON. I think—

Commissioner LENNON. After the people had been driven out.

Mr. LAWSON. I think that a great deal of testimony could be gotten on that very subject, Mr. Lennon, and might from the reports of the three members, officers of the Colorado National Guard, who were sent by Gov. Ammons into the strike district at Ludlow to make an investigation on the part of the



militia first. That is, speaking about Maj. Boughton, Capt. Danks, and Capt. van Cise.

Commissioner LENNON. Have you what they said on the subject?

Mr. LAWSON. Yes; I have at least extracts from their report with me here.

Commissioner LENNON. Bearing on that question?

Mr. LAWSON. Bearing directly on that question.

Commissioner LENNON. Read it into the minutes if you have it.

Chairman WALSH. Let me see just a moment. There were what you call two military courts out there when the trouble arose, a military court was set up at Trinidad, of which Maj. Boughton was the judge advocate general?

Mr. LAWSON. Yes; that is correct.

Chairman WALSH. And they assumed to bring in persons whom they considered were impeding the operations of the militia, as they called it?

Mr. LAWSON. Yes.

Chairman WALSH. And did not undertake to try those people, but they simply held them, and it was out of that that grew the complaints that men were held as high as 15 days without trial, and so forth?

Mr. LAWSON. Yes, Mr. Chairman; and in connection with that—

Chairman WALSH. I do not want to go into any detail, but I want to get clear now what you are going to read from.

Mr. LAWSON. Yes.

Chairman WALSH. This is not a report from that body, is it?

Mr. LAWSON. No.

Chairman WALSH. But after the Ludlow disaster?

Mr. LAWSON. Yes.

Chairman WALSH. Maj. Boughton advised, as the evidence shows here that he gave—

Mr. LAWSON. Yes.

Chairman WALSH. And had the governor to refrain from appointing the judge of the supreme court who had offered his services?

Mr. LAWSON. That is correct.

Chairman WALSH. And he suggested to Gen. Chase that they go and hold a military inquiry and that that military inquiry was held, a court was constituted, of which Maj. Boughton was again the judge advocate general and Messrs. van Cise and Danks, two of his subordinate officers, sat upon the board with him?

Mr. LAWSON. Yes.

Chairman WALSH. Is that correct?

Mr. LAWSON. Yes.

Chairman WALSH. And then tried the question of the alleged killing of Tikas by Linderfelt, and all those matters?

Mr. LAWSON. Yes; that is, the military board did that.

Chairman WALSH. And what you are going to read from now, do I understand that to be a portion of the findings of the military commission headed by Maj. Boughton and called by Gen. Chase, of the State militia?

Mr. LAWSON. Yes; the military commission appointed to investigate Ludlow.

Chairman WALSH. The Ludlow affair?

Mr. LAWSON. Yes.

Chairman WALSH. Confine yourself, then, to the extracts bearing upon this particular question.

Mr. LAWSON. Yes; that is very brief, Mr. Chairman. It is from the brief submitted by our counsel, Mr. Edward P. Costigan, Mr. Brewster, and Mr. Hawkins, in that matter. It is very brief.

Chairman WALSH. Now, are you going to read a part of the brief, or an argument or a citation from the report itself?

Mr. LAWSON. Yes; this is a citation from the report itself.

Chairman WALSH. A report made by Maj. Boughton and Capt. Danks and Capt. van Cise?

Mr. LAWSON. Yes, sir. This is brief, and says in a few words [reading]: "A commission of the militia, composed of Maj. Boughton and Capts. Danks and Van Cise, reported on investigation that—

"A troop of National Guards were enlisted about the middle of April among the superintendent and foremen, the clerical force, physicians, storekeepers, mine guards, and other residents of the coal camps. This unit of the National Guard was designated Troop A, but so recently was it recruited that at the time of the battle of Ludlow it had not yet selected its officers, nor was it supplied with uniforms, arms, or ammunition. When this company was

called to reinforce the uniformed guardsmen at Ludlow, its members appearing in civilian clothes gave rise—perhaps excusably—to the belief of the strikers that they were armed mine guards, a class much hated by the colonists.”

Then it goes on to say:

“We find that the tents were not all of them destroyed by accidental fire. Men and soldiers swarmed into the colony and deliberately assisted the conflagration by spreading the fire from tent to tent. This, too, was accompanied by the usual loot.”

Chairman WALSH. What did that mean? What evidence was there of looting?

Mr. LAWSON. They took the property of the people of the tent colonies. It was a common occurrence, Mr. Chairman, earlier than this period; at times when I myself was in the tent colony, when the militia came to the tent colony on a pretended search, or a real search, for arms, they very often tore up the tents, broke open the trunks and everything; and it was a common occurrence and admitted and proven to be so that in many instances they took everything there they got their hands on—money or jewelry, for illustration.

Chairman WALSH. So when those officers say those things with reference to Ludlow—that the conflagration was accompanied by the usual looting—you take that to mean that they stole the property of the inhabitants?

Mr. LAWSON. Yes, sir; that they carried off everything that they could lay their hands on.

Chairman WALSH. Prof. Commons was interrupted in his examination of you last night, and I suppose he wishes to proceed now?

Commissioner COMMONS. I wish to see if we understand in regard to these statistics that you promised Mr. Lennon.

Mr. LAWSON. Yes.

Commissioner COMMONS. In reference to them, could you include there in each of these cases, I think they are the cases of the shutdowns owing to local grievances—that is, what you were going to report on?

Mr. LAWSON. Yes; the contention of Mr. Weinstock, I think, the other day, that he asked me at that time if I would produce the record on district No. 2 case in Pennsylvania where Mr. Gilday was formerly president.

Commissioner COMMONS. Now you were going to add to that Illinois and Iowa?

Mr. LAWSON. Yes, sir.

Commissioner COMMONS. Now, will you include in that this question, first, whether it was simply a few individuals that quit work, or whether it was the entire local union that quit?

Mr. LAWSON. Yes.

Commissioner COMMONS. And will you also add the number of days they were out?

Mr. LAWSON. Yes, sir.

Commissioner COMMONS. Then add the action that was taken by the general organization—State organization—or if it went up to the international board, the action that the officers of the union took in order to get the men back to work?

Mr. LAWSON. Yes, sir.

Commissioner COMMONS. Now, might I ask what do you mean—what is your idea of what constitutes a violation of an agreement? Is it a part of the agreement—does a part of the agreement always consist in this that each side must continue at work until the grievance is settled? That is, there must be no lockout on the one side and no strike on the other until the grievance is settled. Is that part of the agreement itself?

Mr. LAWSON. That is usually in the agreement. You see each agreement is made by the different districts, and they are made by the districts or groups of districts, for illustration—

Commissioner COMMONS. Well, then, will you include that information, as to whether in each—what was the nature of the agreement on the question of stopping work? You get my point there, I think?

Mr. LAWSON. Yes, sir.

Commissioner COMMONS. Whether the agreement provided that there should be no cessation of work pending the settlement of the grievance?

Mr. LAWSON. Yes, sir.

Commissioner COMMONS. I infer from the nature of the agreements that every stoppage of work by an individual or by a local is a violation of the agreement?



Mr. LAWSON. Well, it depends some on the nature of the agreement entered into between the miners and the operators.

Commissioner COMMONS. How about Illinois?

Mr. LAWSON. I think the Illinois agreement has such a clause in its contract, but I am now speaking offhand. There are so many that I can not keep them all in my mind.

Commissioner COMMONS. I think it is a provision that there will be no stoppage of the work pending the settlement of the grievances?

Mr. LAWSON. We have in our contract in Colorado such a clause; if it is considered material I will read it into the record, but it is along the same line. It states how grievances will be taken up.

Commissioner COMMONS. I think that would be an essential thing in an agreement from the operators' standpoint, that what he is after in all these cases is to stop these short strikes and thus be able to fulfill his contract for delivery of coal. Would that not be essential to the operator?

Mr. LAWSON. Yes. There are several things that might be a cause for men to refuse to work, even with an agreement, that are not touched on in the agreement.

Commissioner COMMONS. That is what I want to get at also; I would like to know, from your standpoint, seeing that the big thing in these agreements is to prevent strikes.

Mr. LAWSON. Yes, sir.

Commissioner COMMONS. What is your justification for such strikes as have taken place in violation of agreement?

Mr. LAWSON. I can not tell you, of course, what the justification for strikes in violation of agreement would be, but there are one or two things that might occur that would bring about a strike notwithstanding an agreement. For illustration, there is a checkweighman on the tippie, and the scales have gone wrong, and the company refuses to fix the scale, and the men go to work this morning, for illustration, and the scales have not been fixed and they do not weigh correctly or exactly, and the men know they can not get their correct weights, and the checkweighman has no way of checking the proper weight. He might tell the men, "I can not guarantee you proper weights this morning because I have discovered the scales are not weighing correctly, and I have so reported, but they refuse to fix them." In my judgment where the wages of the men are put in that position, and they can not get their just weights, it might be that the men would refuse to go down in the mine, and say, "We will not send coal over the scale if they have been notified they are not correct and will not fix them."

And then again if a condition is discovered in the mine where the air is extremely bad and the health of the men is endangered by going in and the mine owners have been notified by the pit committee or pit boss, but pay no attention to it, as I have known of in many instances—under such circumstances the men may be justified in refusing to work under those conditions.

Then there are other conditions that the men might object to that might be extremely dangerous to life and limb, and an explosion might be imminent in a mine because of the nature of the different gases and the dust in the mine. Now, the company may have understood that and the men discovered this condition, and I want to say in connection with that that I have gone in mines and worked in mines when the men in the mine realized that there was a very great danger of an explosion at any time. Now, it probably sounds off color to say that I have worked under those conditions, but I have and other men have, because they did not have any other place to go, and if they made a complaint that they were not going to be able to stay there they would probably lose their jobs. But in union mines the workmen can not work under those conditions, because the pit boss would report to the men that it was discovered that the mine was dangerous, that there was fire in a certain portion and gas in another and there was danger of a gas explosion—because the State law applies to that—and the mine is saturated with moisture or adobe dust, and the mine is dangerous and the men know this circumstance, and like circumstances would in my mind be a justification for refusing to go into the mine, notwithstanding a contract which does not specify those exact things.

Commissioner COMMONS. In this report which you make state, in the case of each of these shutdowns, what the grievance was and whether it was covered by the agreement.

Mr. LAWSON. Very well.

Commissioner COMMONS. You have already got down the procedure as to whether it was taken up by the pit committee, and so on?

Mr. LAWSON. Yes.

Commissioner COMMONS. What years do you want?

Commissioner LENNON. I should say either 1912 and 1913 or 1913 and 1914; two years ought to be sufficient.

Commissioner COMMONS. It is understood then it is to be for 1913 and 1914, that they will be the years.

Now, could you, in making that report also report the same facts as to the anthracite coal fields?

Mr. LAWSON. Yes.

Commissioner COMMONS. And in addition to that will you not only send a copy to us, but also send a copy to the operators, to the secretaries of the operators' associations?

Mr. LAWSON. Yes; Mr. Commissioner. I would be glad to do that. In getting this record naturally I will be compelled to get it through the national secretary and his office, and I will request them to do this. I will tell them you have requested it.

Commissioner COMMONS. So that the operators concerned may see the report you send to us.

Mr. LAWSON. You want it made public, in other words?

Commissioner COMMONS. I want the operators to send us a report also.

Mr. LAWSON. You want the operators to send you a report?

Commissioner COMMONS. Yes; I want them to send us a report on the report you send and which will be sent to them.

Commissioner COMMONS. Mr. Chairman. I would have it noted in the minutes that our secretary be requested to ask the operators to send us in the report.

Chairman WALSH. This witness need not ask for any report from the operators' association.

Mr. LAWSON. I understand, Mr. Walsh.

Chairman WALSH. Let the Director of Investigation and Research for the commission call upon the coal operators for the—now just put in the list, Mr. Commons.

Commissioner COMMONS. Notify the coal operators that Mr. Lawson through his executive secretary, is that it?

Mr. LAWSON. Yes; the international secretary.

Commissioner COMMONS. International secretary will send to them a report of the following points: That this commission request them to examine that report and send in to the commission their comments on the report so submitted.

Mr. LAWSON. Yes, sir. And will you kindly add: That a copy of the operators' report shall be sent to our international office?

Commissioner COMMONS. And that a copy of the operators report be furnished to whom?

Mr. LAWSON. International offices of the United Mine Workers of America.

Commissioner COMMONS. I think that is all.

Chairman WALSH. I have been asked to submit some questions to you which I will do categorically. I have been asked first [reading]: "If precisely the same condition in the mines—that is, physical dangers to the miners—such as you have indicated, and other matters, would not justify the operators and owners from stopping the operations and excluding the miners, notwithstanding the contract provided for no cessation of work during disputes?"

Mr. LAWSON. Yes, sir.

Chairman WALSH. That is the first question. Here are a series of questions which I will ask [reading]: "Has any individual a right to invest his money in the securities of industrial corporations like the Colorado Fuel & Iron Co., for instance?"

Mr. LAWSON. I suppose they have the right, Mr. Chairman.

Chairman WALSH (reading). "If so, must the investor be a resident of the State in which the company is located?"

Mr. LAWSON. I do not think so.

Chairman WALSH (reading). "Must he live on the job, so to speak—that is, in the town or camp in which the company's work is located?"

Mr. LAWSON. I am not sure about that, Mr. Chairman.

Chairman WALSH. I am afraid you do not understand the question. If a man invests in securities of the Colorado Fuel & Iron Co. he is required to live in the place where the mines are being operated? I mean by law or under the law.



Mr. LAWSON. No; not to my knowledge, I should say.

Chairman WALSH. He buys the securities in the open market like anyone else, any security, and, of course, he can reside wherever he pleases?

Mr. LAWSON. That is my understanding, but I do not want to quote the law. The law is such a peculiar thing.

Chairman WALSH. These questions have been brought to me, and they involve some legal questions. So kindly do your best to answer them categorically.

Mr. LAWSON. Of course—

Chairman WALSH. And if you do not understand them I will elucidate them as far as I can.

The next question is [reading]: "How can he reside on the job if a company has work in several towns or camps in more than one State?" What is your answer to that?

Mr. LAWSON. He can not reside on the job very long unless the company wants to let him stay, not in our part of the country particularly.

Chairman WALSH (reading). "If he has the right to invest in the securities of any industrial corporation which may be offered to him, and it is not compulsory that he live on the job, is it necessary that he take any action to control or influence the management of the corporation because of his investment?"

Mr. LAWSON. Well, I suppose if he is a stockholder or a holder of bonds he would be entitled to the same rights that other men have, but I do not think he should. I do not know how he would go about it to secure the desired end.

Chairman WALSH (reading). "What would be the effect upon the management of any industrial corporation having several thousand investors on its list of security holders if each one of the investors attempted to control or influence the management of the corporation?"

Mr. LAWSON. Well, I do not know what the influence would be, Mr. Chairman. I can not tell you that.

Chairman WALSH (reading). "How much new capital could industrial corporations hope to obtain the use of if the present attitude of labor is continued, and labor insists upon a voice in the management of the industry, which voice would naturally give labor the control of both the industry and of the funds of investors tied up in the securities of industrial corporations?"

Mr. LAWSON. Well, there seems to be several points in that question. But it seems to me that when the time comes when labor is more generally recognized and gets more of the things that they produce I imagine there will be a great deal more capital invested in many ways; there would not be so much of it tied up in a manner that it is tied up to-day and not being put in use. For illustration, in such manner as the foundation that we are discussing here has tied up the funds.

Chairman WALSH. So that your answer to that, then, is that you think new capital would go in? I do not know who sent in these questions, but I want them to be very fully answered by you, if you can. Of course if you do not know and you can not answer it, you may say so. I will read this over again, because it is not clear in my own mind whether you have fully answered it or not.

Mr. LAWSON. The question is not clear in my mind.

Chairman WALSH. I will read it over again: "How much new capital could industrial corporations hope to obtain the use of if the present attitude of labor is continued and labor insists upon a voice in the management of the industry, which voice would naturally give labor the control of both the industry and of the funds of investors tied up in the securities of industrial corporations?"

Mr. LAWSON. Well, I do not see that giving the labor a voice—giving them an equal voice in the sale of their labor—will make any particular difference so far as the investment of capital is concerned. In fact, I think it will help bring more capital on the market, because it will settle to a large degree this industrial unrest, and because of the fact that labor, and not capital, is the basis of all value, I think it would increase the very things that we hope to bring about instead of decreasing them. I am not sure, Mr. Chairman, that that is a proper answer, even.

Chairman WALSH. Do you think that it is, Col. Weinstock?

Commissioner WEINSTOCK. The writer of the question assumes that a voice means control, and Mr. Lawson says that a voice does not necessarily mean control.

Chairman WALSH. I think that fully covers it.

Mr. LAWSON. It does not mean control.

Chairman WALSH. Maybe you had better explain. The writer of this question, Col. Weinstock, seems to assume that labor insisting upon a voice means that it insists upon a part in the management of the plant in other respects than related to labor conditions.

Commissioner WEINSTOCK. The assumption in that question as I see it, Mr. Chairman, is that voice means control. As a matter of fact, voice does not necessarily mean control.

Chairman WALSH. With that view of what I think about it, and what Col. Weinstock sees, maybe you can make a further answer. And there is not any question, so far as the United Mine Workers of America—their organization—is concerned, that they do not try to control the coal-mining industry at all.

Mr. LAWSON. And they concede to the operator this one thing—we find it in article 5 in the copy of the agreement from district 15, Colorado—the right to hire and discharge, the management of the mine, and direction of the working force is vested exclusively in the operator, and the United Mine Workers of America shall not abridge this right. The intention of this provision in regard to the discharge of employees or the refusal of employment or applications because of personal prejudice in matters affecting the operator or the United Mine Workers of America. But the right to hire and discharge is vested exclusively in the operators. They do not ask to control the industry, Mr. Chairman, but they do ask the right to sell their labor collectively. They contend they are entitled to that right.

Chairman WALSH. The next question [reading]: "What would be the condition of labor to-day if people who have had funds for investment had not put some of their money into securities of industrial corporations without regard to the present-day attitude of labor?"

Mr. LAWSON. I do not believe there would be so many unemployed in the country if there was not so much money tied up and kept tied up in that way.

Chairman WALSH. Would not the present condition of unemployment be largely overcome if labor were to cease its attacks upon industry and the funds invested therein, and thereby offer the greatest possible assistance to industry and investors in an endeavor to restore prosperity?

Mr. LAWSON. Yes, sir, Mr. Chairman; I expect there would probably be a great change come over this country and over the world if labor would cease its agitation. I think in a very few years there would not be any so-called unrest amongst the unemployed. They would be beyond that condition of creating unrest. There would not be anyone in this country who would dare open his mouth or say he was dissatisfied, any more than a coal miner can in one of the closed camps, of which the C. F. & I have 15 in Colorado—go in there and say, "I am dissatisfied; I have been robbed; or, have not been given my just weights and just wages or conditions"; and all the working people of the United States would be in that same identical condition. And that is why this unrest would be done away with.

Commissioner O'CONNELL. You say "closed camps." You don't mean union camps?

Mr. LAWSON. No; I mean closed against everybody by the company.

Commissioner O'CONNELL. That is what you mean by "closed camp"?

Mr. LAWSON. Yes; the closed camps of southern Colorado are called closed camps, because the company owns the ground, owns the homes, owns the stores, the post-office building, the saloons, the church if there be one, the school, and the recreation, and owns the camp marshals, and owns, in fact, everybody; and the officials of the town—I say they own them, for they control them. That is what I mean when I say a "closed camp."

Chairman WALSH. That is all. You will be excused now permanently.

Dr. Kirchwey will take the stand.

#### TESTIMONY OF DR. GEORGE W. KIRCHWEY.

Chairman WALSH. Will you kindly state your name, Doctor?

Dr. KIRCHWEY. George W. Kirchwey.

Chairman WALSH. And where do you reside, please.

Dr. KIRCHWEY. At 800 Riverside Drive, in this city.

Chairman WALSH. What is your profession, please?

Dr. KIRCHWEY. I am a lawyer; a professor of law in Columbia University.

Chairman WALSH. You were formerly dean of the Columbia Law School, I think?



Dr. KIRCHWEY. Yes, sir; for a good many years.

Chairman WALSH. I was going to ask you, covering what period of years, Doctor?

Dr. KIRCHWEY. 1901 to 1911, approximately; let us say, 10 years.

Chairman WALSH. Ten years, about. In these, various relations you have made a special study of constitutional and corporation law both as applying to business operations and eleemosynary and charitable and philanthropic institutions?

Dr. KIRCHWEY. I have been called upon to make some study of those topics in the law; yes.

Chairman WALSH. As we understand, you have made a study for this commission of the present legal powers of the Rockefeller Foundation, have you not?

Dr. KIRCHWEY. I have.

Chairman WALSH. At the same time you have examined the law which would govern any foundation similarly incorporated, have you not?

Dr. KIRCHWEY. Inevitably.

Chairman WALSH. I am going to ask you now, Doctor, categorically, what is it, under its present charter, that the Rockefeller Foundation could not do? First, might it circulate a presidential message or a party platform or a criticism of a church or religious body?

Dr. KIRCHWEY. I am inclined to think, Mr. Chairman, that all those questions could be answered better together than separately.

Chairman WALSH. Would you be kind enough, Doctor, just to go through the list, if you have it there——

Dr. KIRCHWEY (interrupting). Yes, sir; I have.

Chairman WALSH. I suppose these questions you have seen?

Dr. KIRCHWEY. Yes; they were submitted to me last evening.

Chairman WALSH. I wish, then, that you would, in your own way, proceed and state what things the Rockefeller Foundation could or could not do under its present charter.

Dr. KIRCHWEY. By the present charter there is a very wide discretion vested in the trustees or directors, as well as a very extensive power vested in the corporation. It is, as you know, incorporated for the purpose of receiving and maintaining a fund or funds and applying the income and principal thereof to promote the well-being of mankind throughout the world. And it is provided in the second section of the act that it may deal with and expend the income and principal of the corporation in such manner as in the judgment of the trustees will best promote its objects. That appears, upon the face of it, to vest pretty nearly absolute power without restriction of law in the corporation as administered by its trustees.

I am of opinion, however, that notwithstanding the wide discretion vested in the directors by the act incorporating the foundation, the foundation is restrained by general law from doing anything not comprehended within its expressed purpose. Any grant of power, however broad, is subject to this general principle affecting all corporations. A corporation as such, if we may assume a corporation to be incorporated without any specific granted power, as for example, if an act should be passed by the New York Legislature constituting this body a corporation, and saying nothing further, the corporation would have only two or three rights which inhere in the corporation by its very nature, the right to sue in its corporate name, the right to be sued as a corporation, and the right to have what is called perpetual succession. It would have no power to do anything else, not even to sneeze without special legislative permission. Any further power, in other words, must be derived from the acts creating it, from the expressed grant of authority contained in the act. What its directors think to be for the well-being of mankind, then, in the case of the Rockefeller Foundation, is not the test of its capacity. It can not, for example, do an act concededly immoral or illegal, as compounding a felony, or promoting immorality, or, shall I say, lending money at usurious rates of interest.

And, then, a corporation of this character is restricted by certain special laws. For example, a corporation not organized under the banking law or specially empowered to carry on a banking business is prohibited by law from carrying on a banking business. The constitution of the State forbids the legislature by special act to authorize any corporation to lay down railroad tracks. Therefore no right in the Rockefeller Foundation exists to lay down railroad tracks or could be inferred from the most general language of the act creating it. It is, in the same way, prohibited from exercising any exclusive privilege, im-

munity, or franchise. It is also prohibited in the same way by the same constitutional provision from receiving any grant or power to construct public bridges except under certain circumstances in certain places. The constitution also prohibits any grant of municipal aid to a corporation of this character. About all these things there is not and can not be any question, notwithstanding, that is to say, the liberal language of the act incorporating the Rockefeller Foundation. It is restricted by positive law in the matters and in the instances I have referred to.

As to the other acts which may be assumed to be exercised, the question is, Do they come within the authority conferred by the charter, or do they not? and the answer to this question rests, as I have said, not with the trustees of the corporation but with the courts. As to any act of the corporation, the question may be raised whether it is or is not guilty of having exercised a privilege or franchise not conferred upon it by law. The question may be raised by methods provided by statute, and the determination of the question rests, in the analysis, as I have said, with the courts.

Then, if I may turn back to the specific cases put in this question, Might the Rockefeller Foundation circulate a presidential message or party platform or a criticism of a church or religious body? There is nothing in the law that I have found prohibiting an individual or a corporation, or prohibiting a corporation of this character from doing that—from doing any of those things. The question is a question of judicial interpretation of the charter powers, and the question might present itself in this form: Is the act of circulating a presidential message or party platform or the criticism of a church or religious body an act promoting the well-being of mankind?

Chairman WALSH. Who would bring the lawsuit?

Dr. KIRCHWEY. The question may be raised in one of two several ways; ordinarily by a proceeding instituted by the attorney general by leave of the supreme court to which he has applied, the proceeding being for the dissolution of the corporation. Another proceeding which may be instituted under a variety of circumstances would be for a justice of the supreme court of the State to exercise his visitatorial power, which he may do on the application of a creditor or a member of the corporation, not of the general public. In the exercise of that visitatorial power a justice of the supreme court, or a person designated by him for the purpose, may make such an inquisition as this commission is making, may inquire into the proceedings, the state of the funds or finances of the Rockefeller Foundation; it may embody its findings in the form of an order or judgment, and that order or judgment becomes then the basis of further proceedings to be brought, as in the other case, by the attorney general.

Chairman WALSH. Proceed, if you please, Doctor.

Dr. KIRCHWEY. May I add that in either of these cases, whichever method of procedure is adopted, the corporation may be restrained by injunction pending the suit from the wrongful use or misuse of its powers.

Chairman WALSH. You may proceed, Doctor, through that list and state what these foundations might do prima facie under the powers given them by such a charter as the one you have under consideration.

Dr. KIRCHWEY. I will reread the first question: "Might it circulate a presidential message or a party platform or a criticism of a church or religious body? Might it distribute editorials praising public officials or criticizing them? Might it confine its benevolent service to the organization of business enterprises? Might it conduct a propaganda against trade-unions? Or against workmen's compensation acts? Or against widows' pensions? Might it finance institutions opposed to trade-unions or circulate their literature? Might it furnish publicity agents to the Colorado Fuel & Iron Co.? Might it hire strike breakers?"

My answer is that it might conceivably do any of these things, no one of these acts being specifically forbidden by law. I began by enumerating the things a corporation can not do; I omitted one. The Rockefeller Foundation can not establish a hospital or dispensary under the name of "Lucretia Mott"; that is one of the whimsical prohibitions sometimes found in the law; it is an absolute prohibition in the exercise of its powers.

No one of these things I have read, nine possible exercises of its activity—no one of these is actually prohibited by law. Each one of these raises the question as to whether the act performed is or is not in the interest of—is a promotion of the well-being of mankind; and it will, in any case, be for the court to determine whether it is so or not. To my mind some of them would be clearly sustained by the courts as a proper exercise of the powers conferred on



it. I think we must assume that the circulation of a presidential message contributes to the well-being of mankind; politically, I think we are bound to assume that.

Chairman WALSH. Or a party platform?

Dr. KIRCHWEY. Yes; a party platform. I am not so sure about the criticism of a church or religious body. The court might divide on that, and it might think it was very undesirable that a private corporation should engage in religious propaganda.

Chairman WALSH. Courts might divide on any of these things?

Dr. KIRCHWEY. Yes; might divide on anything, I was going to say, except the circulation of a presidential message or a party platform, but they might divide on party lines possibly with respect to either one of these, in a given case.

Chairman WALSH. Now, using its funds for distribution of editorials praising public officials or criticizing them?

Dr. KIRCHWEY. I see some objections to that myself. I am not sure that the court of appeals of this State would sustain me in a given case, however. There, again, it is a question for the discretion of the court.

Chairman WALSH. Have you observed that the Rockefeller Foundation has instituted what they call an intensive investigation and an inquiry into the industrial relations of the United States and the world?

Dr. KIRCHWEY. I have, indeed.

Chairman WALSH. Have you observed that it has been testified by one of the trustees that funds could be used in this wise: That a statement made as to the proper conduct of an industry, the application of so-called democracy to industry, or of union principles or of nonunion principles could be circulated without stint—that is, that it was within their powers to do all of them, to circulate literature of that kind; that is, their conception of it?

Now, what do you think of that as a matter of law; could they do that? Or to put it this way—to put it in a concrete way—I will say this: For instance, that Mr. John R. Lawson, who has just been upon the witness stand here, for instance, makes a speech in the city of Denver in which he laid down what he understood to be the correct humane principle in the conduct of relations between the employer and employees, and that it could be assumed to be correct and a proper statement; that another person could make a statement, a contrast statement containing sophistries, false statement of basic economics, and such things as that, and then that this foundation as a foundation could conclude that the one which was truthful they should say nothing about and the sophistical one could be circulated to the extent that they desired it to be circulated, and all the funds necessary to be used from the income of the foundation should be used in that way. Now, I have stated the matter broadly. But the answer was that they believed that was strictly within their powers and rights.

Dr. KIRCHWEY. I am inclined to think that that was a correct answer. The power lodged in this corporation necessarily, I should say, carries with it the power to abuse and to mislead, as well as to lead aright, public opinion by any educational method.

Chairman WALSH. Yes; and you may assume that perhaps they did not know it was sophistical.

Dr. KIRCHWEY. I am assuming, of course, that they are acting in good faith.

Chairman WALSH. I am assuming that; that they did not know they could do it.

Dr. KIRCHWEY. They could do that.

Chairman WALSH. And thus establish broadcast a system of false education, improper information?

Dr. KIRCHWEY. I think there is no doubt that that is within their power, unless the matter circulated by them was so offensive to public opinion, so contrary to the trend of opinion or of morality in this country, that the courts would regard it as being contrary to the best interests of humanity, rather than a promotion of them.

There, again, we always come back to that question, as to the attitude of the judiciary, reflecting or not reflecting, as the case may be, the public opinion of the day.

Chairman WALSH. Under the present state of the law could the courts intervene if the matter published were not libelous?

Dr. KIRCHWEY. No; not directly.

Chairman WALSH. And they would have the right, under the general rule of free speech, to utter anything that they wished, being responsible only to those individuals who were damaged thereby?

Dr. KIRCHWEY. Yes.

Chairman WALSH. So, how would the public get at it if they did conclude to follow out a system of false education of the masses?

Dr. KIRCHWEY. In one of two ways: Either by the method I have suggested, of proceedings instituted for purposes of inquiry, and then the dissolution of the corporation; or by legislative action. I know of no other way.

Chairman WALSH. Now, you may run through those questions: "Might it conduct a propaganda against trade-unions?"

Dr. KIRCHWEY. Might I take the preceding one first, "C"?

Chairman WALSH. Yes.

Dr. KIRCHWEY. "Might it confine its benevolent service to the organization of business enterprises?"

That, I should say, comes very close to the danger line, and one is almost justified in saying that the organization of business enterprises for private profit, or merely for the profit of the corporation, is not a proper exercise of its functions, which, on the face of it, appear to be purely benevolent.

The organization is what in law is called a charitable trust, and I should say that if it goes outside the scope of a charity and engages in business that its activities would be likely to be condemned as not coming within the scope of the charter.

Chairman WALSH. The representative of the founder, himself one of the trustees, says he so interprets that they could build model tenements.

Dr. KIRCHWEY. That, I am inclined to think, they might do. Remember, I restricted my answer to the case of business enterprises whose primary object was profit. I do not believe they could engage in the manufacture of munitions of war for sale, for example, for profit. But I do not see why they could not spend their money in building model tenements, that being an accepted method of benevolence and of the amelioration of the condition of the congested masses of our society.

Chairman WALSH. Could the law then limit them renting the houses for the strict amount, or could they charge interest on the investment?

Dr. KIRCHWEY. Oh, I suppose they could do the latter.

Chairman WALSH. And then put that into something else?

Dr. KIRCHWEY. Doubtless.

Chairman WALSH. Go ahead.

Dr. KIRCHWEY. "Might it conduct a propaganda against trade-unions?"

Doubtless, if the directors honestly believed and the court of last resort before which the question comes also believes that it is in the interest of humanity that trade-unions should be put down, doubtless they might do so. Of course, the security that we have against any particular exercise of its activities is the state of public opinion, which is to a greater or less degree reflected in the attitude of the courts.

Chairman WALSH. And could we take the experience that this country has had with reference to righting other abuses as a sort of indication of the effort that would be required to be made and the length of time taken to correct any such abuses?

Dr. KIRCHWEY. I think we might draw some reasonable inference not too definite in character. It takes a long time. At the same time there is this to be said: Let us assume that the Rockefeller Foundation devotes itself to a widespread, sweeping, direct attack on trade-unions. I take it that the trade-union principle has become so well established as a matter of economic policy in the United States, as well as in England and in Europe generally, that it is fair to assume that the court before which the question would come as to whether such was or was not a proper use of the corporation's funds would to-day—any court of appeals or supreme court in the land—find that it was an improper use. I should expect that, without finding it necessary as a preliminary to educate public opinion and through public opinion to educate the courts.

Chairman WALSH. But that would have to be a sweeping denunciation of a principle that you believe to be accepted as a correct one by mankind in general?

Dr. KIRCHWEY. Yes.

Chairman WALSH. I will put another concrete case to you to see whether or not the courts would interfere, and also for you to say whether or not perhaps



the same result, so far as misinformation and improper education would ensue, without judging at this time as to who was correct.

Mr. Mackenzie King, working for the Rockefeller Foundation alone, not for the Colorado Fuel & Iron Co., they being an entirely separate organization, except that certain directors of the Colorado Fuel & Iron Co. are also trustees of the Rockefeller Foundation, suggests a plan or scheme which is said by the controllers of the Colorado Fuel & Iron Co. to be collective bargaining. That is, that the workers have a certain representation in the mines under certain circumstances through which they may appeal to the owners, or the managers, and I will state it in its broad aspects. The men involved, we will say, if not all advocates of trade-union principles or of the present-day labor organizations as they are planned, do not so recognize it. Mr. John Mitchell—I will draw the parallel case—goes upon the witness stand and says that that is a sham and a fraud upon the workers; that it is not collective bargaining and it does not so work out. Do you believe that the plan of Mr. Mackenzie King, even assuming that it is what Mr. Mitchell says it is, could not be circulated by the funds of this foundation with which he is connected, to any extent, without the intervention of the courts? Would that question not be such a broad one and so capable of different construction that the courts would not interfere?

Dr. KIRCHWEY. I am quite clear that in such a case, there being room for difference of opinion, and there being actual difference of opinion among fair-minded, intelligent people, I am quite clear that is a case in which the courts would not feel justified in interfering—because, remember, that interference means dissolution of the corporation, which is a rather drastic remedy.

Chairman WALSH. I did not understand that, Doctor, as a matter of law, then, the interference would have to be; that is, if taken by the present legal means that you have referred to, would mean that they dissolved the corporation, and then the capital would return to the donor or the heirs?

Dr. KIRCHWEY. That is a delicate question, but I should be very much surprised if the deed of trust conveying Mr. Rockefeller's millions to this corporation had not provided for that. And if it has provided for it in legal form, then the matter is settled.

Chairman WALSH. But if it does not provide?

Dr. KIRCHWEY. If it is not provided for in any such way, why, then, I imagine the old rule of the common law would apply, that upon the dissolution of the corporation its real property—I mean the real property conveyed to it for the purposes of the trust—would revert to the donors. But I believe there was no real property so transferred.

Chairman WALSH. No. It seems to be all personal.

Dr. KIRCHWEY. And the personal property would be forfeited to the State. But I presume that the matter was not left in that predicament.

Chairman WALSH. No audible expression please, ladies and gentlemen. We must proceed without it. Now, just go on down the line with those questions.

Dr. KIRCHWEY. Well, the next two or three questions might easily be grouped together: "Might it conduct a propaganda against workmen's compensation acts, or against widows' pensions?"

Well, the principle of the workmen's compensation act has become more firmly established than that of the widows' pension; yet there is still a great deal of doubt in the community as to the one of those that has been accepted—the workmen's compensation principle.

I find many very intelligent people, mostly employers and people closely connected with employers in a professional capacity, who are still hostile to the principles of the workmen's compensation acts. I should say that there was grave doubt as to whether the court would interfere with the Rockefeller Foundation by dissolution or otherwise if it undertook to use its funds in an educational campaign against workmen's compensation acts, even, or against widows' compensation.

The same thing might be said with reference to "G": "Might it finance institutions opposed to trade-unions or circulate their literature?"

Obviously, if it may conduct a campaign against trade-unions, and obviously not, if it can not. As I said before, I should say it depends entirely on whether it is a broad, sweeping attack on the trade-union principle, and perhaps a little bit upon the question of the particular court it came before, because judges differ also, as well as other men.

"Might it furnish publicity agents to the Colorado Fuel & Iron Co.?"

I should say that was extremely doubtful because of the fact that it is promoting a specific business enterprise, and it would, I think, be very hard for

it to persuade a respectable court that was not wholly under the influence, let us say, of the Colorado Fuel & Iron Co., that that was a proper use of the corporation's funds.

"Might it hire strike breakers?"

I should say in the present state of public and judicial opinion, yes. Perhaps 10 years from now, no. It depends upon the progress of public opinion in the meantime.

Chairman WALSH. Then the underlying idea that you have is that, as Judge Holmes expressed it, law is the final crystallization of what the people think?

Dr. KIRCHWEY. It is undoubtedly that, judge-made law.

Chairman WALSH. And a good deal would depend on the attitude that the judge took toward labor unions?

Dr. KIRCHWEY. A good deal would depend upon the attitude of the individual judge. An individual judge does not necessarily reflect public opinion. He may be in advance of public opinion, or he may be, as Mr. A. V. Dicey, of England, says, "two generations behind it." But Mr. Dicey was speaking, I hasten to say, of English judges when he said that.

Chairman WALSH. All of these things being true, Doctor, what would you think about the lawmaking body placing any restrictions upon a fund of that kind that might seem necessary to guard against a present-day abuse, or any abuses in the future which might come from lack of knowledge, from bias, one way or the other, or from design?

Dr. KIRCHWEY. Mr. Chairman, if the supreme authority to frame such regulations could be committed to you and me, I should be strongly in favor of our undertaking the task. I am a little afraid of committing it, if I may say so without being guilty of high treason, to a legislative body. I am not sure that a legislative body has the insight into conditions. I am not sure that it has the prevision or foresight that would be needed to effect a radical reconstruction at any rate of such a character as this. I am not undertaking to say that some restriction may not be necessary. I only mean that I have not complete confidence in the agencies at hand for effecting those restrictions. It is, of course, clear, I suppose it is undisputed, that the legislature has very ample power in the way of modifying or altering, and complete power of repealing, the charter of such a corporation as this.

Chairman WALSH. I was going to ask you that, Doctor: Under the present law a charter could be vacated, a corporation annulled, and the grant of the corporation annulled on the ground also that the privileges and franchises have been forfeited by failure to exercise its powers?

Dr. KIRCHWEY. Yes. That is not a legislative annulment that is intended there. I take it to mean an annulment by judicial proceedings. It is a fact that a failure to exercise its powers is a ground for instituting proceedings for the dissolution of a corporation. The right to dissolve, however, is not absolute in such a case, but is largely a matter in the discretion of the court, to determine whether the suspension of its powers was justifiable or not under existing conditions.

Chairman WALSH. We have some questions to ask under "A," "B," and "C." Have you those questions there?

Dr. KIRCHWEY. Yes.

Chairman WALSH. Will you please take them up and answer them?

Dr. KIRCHWEY. The first: "Would failure to spend half of its income be failure to exercise its privileges?" "(B) Would failure to use 75 per cent of its income be failure to exercise its privileges?" And "(C) Would failure during a period of one year or two years constitute failure to exercise its privileges?"

The only one of those three questions with regard to which we have a specific provision of law, is the third. It is expressly provided by the general corporation law of this State that the failure of a corporation during a period of one year to exercise its privileges is a cause of forfeiture and proceedings may be instituted in the usual way by the attorney general in order to bring about such forfeiture. And in that case and, I believe, in that case only, if the attorney general fails to act for a period of two months after being requested to do so and having the case before him, a creditor or a member of the corporation may proceed to have it wound up. But not, again I say, any member of the general public, the attorney general being deemed to be the representative of the public for such purposes.

With regard to the other cases, I should say that unless the failure to spend 50 or 75 per cent of the income were continued for a considerable number of



years, and even then, unless the court should regard the procedure as having some ulterior, secret, and improper motive—I do not see how the mere failure to spend half or three-quarters of the income could be regarded as a failure to exercise its powers, because there must, after all, be a very considerable discretion vested in the corporation to determine the rate at which its income shall be spent. It may, perhaps, properly save three-quarters of its income this year in order to have a very much greater amount to devote to some great purpose the next year.

Chairman WALSH. The present law, it seems, Doctor, does not require that the foundation shall publish the record of its transactions under those circumstances. How is the public to learn whether the foundation's conduct calls for the intervention of the attorney general, as you suggest in your previous answer?

Dr. KIRCHWEY. Well, the corporation is liable to be attacked by legal proceedings, instituted, as I have pointed out, for the purpose of winding it up and putting it out of business, for any one of the following purposes and reasons: Offending against any provision of the act by or under which it was created, altered, or renewed, or any act amending the same; violating any provision of law whereby it has forfeited its charter or become liable to be dissolved for abuse of its power; forfeiting its privileges or franchises by failure to exercise its powers, or exercising a privilege or franchise not conferred by law. Perhaps it is not necessary to analyze those various grounds, for they run into one another.

Chairman WALSH. But how is the public going to get at it?

Dr. KIRCHWEY. In one or both of two ways; by laborious or cumbrous inquisition, to be conducted under the inquisitorial power of a justice of the supreme court, as pointed out by me before, which becomes a matter of public record.

Chairman WALSH. But the public would have to get the justice of the supreme court to consent to this in the first instance.

Dr. KIRCHWEY. The judge is required, if a case is made out, to institute such an inquisition on the demand of a creditor or member of the corporation, not of a member of the general public. This inquisition is, of course, a public matter.

Chairman WALSH. There would be no creditor of this corporation. That would apply, perhaps, only to business corporations?

Dr. KIRCHWEY. No; I suppose there would be no creditor of this corporation.

Chairman WALSH. It would have to be a member of the corporation?

Dr. KIRCHWEY. Yes.

Chairman WALSH. How would the public get at it, then? Supposing that some individual was animated with a very deep idea that all was not proper; say, that he was a needleworker on the East Side or a miner in Colorado or a thinker or a writer or something of that sort, how would he have to go at it?

Dr. KIRCHWEY. He would apply to the attorney general to institute proceedings.

Chairman WALSH. Nothing could be done, in this inquisitorial matter, in that way?

Dr. KIRCHWEY. No; not unless he could get a member of the corporation to apply to the court for such an investigation.

Chairman WALSH. We will assume for the purposes of this question he could not; what would he do then?

Dr. KIRCHWEY. He could do nothing under existing circumstances except to secure the cooperation of the attorney general. It seems to me, if I may interject something which I think is relevant, Mr. Chairman, that the remedies open to the public are defective in one or two respects. The courts had no power to grant an injunction to restrain a corporation from an improper exercise of power, excepting in connection with proceedings instituted by the court, as I have pointed out before, on a motion of a member or creditor, or as an incident of proceedings instituted by the attorney general.

Chairman WALSH. Of course, this construction could not be placed upon that, could it, Doctor? That a person or class of persons that clearly needed the relief and that clearly came within the expressed policies under the by-laws of the organization, under no circumstances could be deemed a creditor?

Dr. KIRCHWEY. Under no circumstances; no. Then another objection, it seems to me, to the present list of remedies is that the courts have no power to compel the attorney general to proceed against a corporation. The matter is left wholly to his discretion, and he exercises that discretion in instances that have come under my observation, very freely, sometimes, refusing to in-

stitute proceedings very wisely, I imagine. The only exception to that is where the corporation has for a year or more ceased to perform its functions. In that case a creditor or stockholder may institute proceedings for dissolution of a corporation, the attorney general having neglected to perform his duty. In all cases, however, it is the duty of the attorney general—not only his right but his duty—to institute proceedings in a proper case, and I suppose a gross violation of duty in that respect would render him liable to political penalties.

Chairman WALSH. Would there be any other approach except these you have mentioned on the part of the public to apply?

Dr. KIRCHWEY. There is no other approach by legal proceedings. What remains is to provide for publicity. I think that is of the first importance, that the public shall be informed and kept informed with regard to the doings and even the plans of corporations wielding such extensive power over the public.

Chairman WALSH. And that would depend entirely upon the integrity and freedom of the press? The people as a whole, perhaps, would have no other definite means of publicity.

Dr. KIRCHWEY. No; not under existing conditions.

Chairman WALSH. In your informal report to this commission, please—I believe you reported as to the provision of the constitution of New York with reference to the requirements for setting out in the titles of these bills the subjects of them. I wish you would state what the requirement of the constitution of New York is and whether or not it has been met in the instances of the Rockefeller and Carnegie Foundations. I believe the Carnegie, the Russell Sage, and the Rockefeller are all corporations of the State of New York.

Dr. KIRCHWEY. They are all corporations incorporated by special act of the Legislature of the State of New York.

Chairman WALSH. And I believe Mr. Greene stated yesterday that this bill was modeled after the bill of the other foundations.

Dr. KIRCHWEY. They are all almost identical in terms.

Chairman WALSH. Which one of the Carnegie institutions is so chartered?

Dr. KIRCHWEY. The Carnegie Corporation; the act is entitled, "An act to incorporate the Carnegie Corporation of New York." The act incorporating the Russell Sage Foundation is entitled "An act to incorporate the Russell Sage Foundation."

Chairman WALSH. What is the wording of the title of the act by which the Rockefeller Foundation is chartered, being chapter 488 of the New York statutes.

Dr. KIRCHWEY. I have the act before me. It is entitled "An act to incorporate the Rockefeller Foundation."

Chairman WALSH. Does the expression "An act to incorporate the Rockefeller Foundation" define the subject of the act? Does the title fairly express the general purpose of the act under the constitution of New York?

Dr. KIRCHWEY. Well, you have stated the provision of the constitution in your question. It expressly provides that no private or local bill which may be passed by the legislature of this State—each one of these corporations was created by such a private bill—shall embrace more than one subject, and that subject shall be expressed in the title.

My answer to your question can be only a matter of opinion, Mr. Chairman, as the question has not been so directly passed upon by the courts as to make it possible to give a dogmatic or even a very confident answer. I may say I have very grave doubts, however, as to the constitutionality of the acts incorporating these three great foundations.

Chairman WALSH. Please give the reasons for your opinion, stating as briefly as you possibly can, please, the decision upon which you base that opinion.

Dr. KIRCHWEY. No one decision covers it exactly, as I have said, or else I should be more confident.

Chairman WALSH. Is there something—

Dr. KIRCHWEY (interrupting). The general principle is that the title of a private bill or of a local bill must point out sufficiently to make it intelligible to the casual reader or to persons having dealings with the corporation created, the purposes of the corporation, the objects for which it is created. The case which I have in mind, and which comes nearest to involving this particular question is the case reported in 195 New York, at page 286, being the case



of the Economic Power & Construction Co. v. The City of Buffalo. The Economic Power & Construction Co. was incorporated for the purpose of developing and distributing electric power to cities and villages of this State, and the court held that the act creating it was unconstitutional on the ground that the title of the act gave no notice whatever that within the act might be found a grant of the specific powers or franchises granted. There are numerous cases in this State in which the principle is discussed and certain discriminations made. I can cite those cases to you, but they are valuable mainly if not solely, because of the language employed by the courts in commenting upon the specific cases.

Chairman WALSH. If you will kindly just submit that into the record that will suffice, in so far as it supports your opinion, unless some of the commission would like to hear the cases cited. Would you, Dr. Commons?

Commissioner COMMONS. No.

Chairman WALSH. You may submit them into the record.

Dr. KIRCHWEY. Very well.

Chairman WALSH. Please summarize the procedure by which the constitutionality of an act incorporating a private foundation might be tested, and indicate different steps that might be taken by other parties from which you can give this commission an estimate of the probable time that might be involved in securing a final decision.

Dr. KIRCHWEY. The question is a difficult one, because it is a little hard at first glance to see how a corporation of this kind can be haled into court for any reason excepting, as I pointed out, at the instance of the attorney general for a breach of its corporate franchise. It has, as you have pointed out, no creditors. If it were to issue bonds, then the question of the constitutionality or validity of the bonds could be raised, and then, indirectly in a suit by a private person, a bondholder, the question of the constitutionality of the act incorporating it could be tested. But I presume it is not going to do anything of that kind. It is simply going to go on with its educational, research, and other benevolent work. That does not, as you point out, create any rights. Nobody becomes a creditor by reason of his reasonable expectation of a benefit. And the result is that the question can be raised in only one way, and that a way, so far as I have been able to discover from my rather hasty examination of that question, which has not yet been attempted.

The attorney general may institute quo warranto proceedings to inquire by virtue of what authority these particular gentlemen, who are merely private citizens, are venturing to perform the functions of a corporation, when, in fact, they are not a corporation because of the invalidity of the act under which they are professing to act. I can think of no other way in which the result can be achieved, and so we come back to the same old situation, that the attorney general, as the legal agent and representative of the public, is the one person and the only person who can make the requisite inquiry and secure the application of the proper legal remedy.

Chairman WALSH. Is there anything in the charter of the Rockefeller Foundation which would prevent its spending its money to defend the constitutionality of the act?

Dr. KIRCHWEY. Nothing whatever.

Chairman WALSH. Is there anything in the charter which would prevent the foundation spending money and hiring lecturers and circulating editorials, buying advertising space in the newspapers, or from instituting and conducting a lobby to prevent the repeal of the act or the amendment of its charter?

Dr. KIRCHWEY. Nothing whatever, always conceding that those acts and efforts, like that and others that might be enumerated, are for the well-being of mankind; and I suppose the protection of a trust fund against an attack from outside, which is conceived to be an illegitimate attack, and to which defense is made in good faith—I suppose that might be regarded as coming within the general purposes of the corporation.

Chairman WALSH. Whatever you have stated with respect to the Rockefeller charter would apply to any charter of any institution along the same lines?

Dr. KIRCHWEY. In the same terms as those incorporated in similar form.

Chairman WALSH. That is, having a title simply, for instance, of the Rockefeller Trust or Foundation?

Dr. KIRCHWEY. Yes.

Chairman WALSH. The charter of the Russell Sage Foundation has the title "An act to incorporate the Russell Sage Foundation." Does this title state the purpose of the act?

Dr. KIRCHWEY. I can not see how it can be argued that it does, unless it should be said, and unless it might be held by the court that the term "foundation" has acquired a distinctive signification by reason of its recent use, and has come to mean a foundation for promoting the well-being of humanity. It seems to me it would be straining a very good old-fashioned word to a considerable degree to put that interpretation upon it. Unless, however, the phrase "the Rockefeller Foundation" or "the Sage Foundation" or "the Carnegie Foundation" is construed somehow or other to embody in it the subject matter, the purpose, to which the foundation is to be devoted, we should have no clearer indication of its purpose than we should have if—well, if the legislature should incorporate the George W. Kirchwey Foundation, for example, or the George W. Kirchwey Corporation.

Chairman WALSH. They would have to imply in that event how much money you had?

Dr. KIRCHWEY. Why the legislature would have to furnish me with an endowment as well as to direct me how to employ it.

Chairman WALSH. The title of the act, it may be observed, of the Carnegie Foundation, however, reads as follows: "An act to incorporate Carnegie Corporation of New York."

Dr. KIRCHWEY. Yes.

Chairman WALSH. Does that present a different legal proposition?

Dr. KIRCHWEY. That presents possibly an opportunity for a different interpretation. I should say that the term "corporation" did not even remotely point to a benevolent end, while the term "foundation" might conceivably be interpreted to carry with it the implication of a benevolent or charitable purpose.

Chairman WALSH. Prof. Commons has some questions he would like to ask you, Doctor.

Commissioner COMMONS. Have you answered fully what powers the legislature has of its own initiative, and without giving any reasons, to amend these foundations?

Dr. KIRCHWEY. I have not gone very fully into that. I could perhaps supplement what I have said by a few words more on that point.

Commissioner COMMONS. Well, will you please state—

Dr. KIRCHWEY (interrupting). As the result of the reaction against the decision in the famous Dartmouth College case the constitutions of all our States, I imagine, contain, as the constitution of New York does, provisions which are to the effect that every charter thereafter to be granted by the legislature shall be subject to amendment, suspension, or repeal by the legislature; and in most of our States probably, if not all of them, as in New York, in the general incorporation law there is an additional provision to the same effect. So that there isn't any question that this act, however broad and sweeping its terms, is subject to be altered, suspended, or repealed by legislative act, and that power may be exercised by the legislature at its own sweet will, whether the corporation is accused or suspected of wrongdoing, or because the legislature is tired of its well-doing—in either case.

Commissioner COMMONS. Well, suppose an individual wished to have it amended or dissolved, the usual way and natural way for him to do would be for him to go to the legislature. I take it, putting this with your other answers.

Dr. KIRCHWEY. Well, that is an easy way to start, though it may be a difficult process to get the amendment through, of course. I have sometimes found it difficult, so I speak from experience.

Commissioner COMMONS. Well, that is the procedure?

Dr. KIRCHWEY. Yes, sir.

Commissioner COMMONS. He would not attempt all this judicial procedure you have previously described at all, but would have to go to the legislature.

Dr. KIRCHWEY. Why, the individual would have to go to the legislature unless he could persuade the attorney general to act by judicial means; and I imagine that the judicial process would be a more expeditious one than the legislative process. I should think so.

Commissioner COMMONS. Well, the legislative process probably would involve a considerable public opinion having already been expressed, and a certain number of the legislature having joined in that public opinion.

Dr. KIRCHWEY. Yes. There is this difference. If the violation of its powers by the corporation is considerable, if it is plain, then the judicial process would be a comparatively simple one and fairly expeditious. Whereas, even in that case, it might take two or three legislative campaigns before the legislation could be secured altering or revoking the charter.



Commissioner COMMONS. I take it the legislature, according to what you say, could adopt any administrative scheme of supervision, publicity, or regulation of these foundations that it chose.

Dr. KIRCHWEY. I should say yes to that. The only restriction which the courts have placed upon its power is this: It may wholly repeal the act creating a corporation like this. It may to any reasonable degree alter or amend the act.

Now, it would be unreasonable and improper for it, under the guise of alteration of its charter, to convert the corporation into something wholly different from what it is—for instance, to convert a philanthropic trust into a manufacturing or water-power enterprise; but short of that, it has the power, and such power is practically unrestricted, and there can be no question of the right to set up any advisory or administrative functions of its own with the aim of securing publicity and public control.

Commissioner COMMONS. Suppose these foundations had been created as a trust instead of a corporation, what would be the legal situation in regard to these questions that have been raised? Could a trust be dissolved by judicial process, by legislative enactment?

Dr. KIRCHWEY. Dealing with a pure trust is in some ways easier than dealing with a charitable corporation, because it does not involve the formidable proceedings for its dissolution. A trustee of a trust for a definite beneficiary can always be controlled by a court of equity, and any beneficiary of such a trust may come into court and demand that the trustees account; in other words, the supervision by the court is more intimate, more close and more effective than in the case of an ordinary corporation—in the case of what we may call a corporate trust. Of course, in dealing with such a trust it makes no difference whether the trustee is a corporation or an individual.

Commissioner COMMONS. Could the Legislature of Pennsylvania modify the Girard Corporation or Trust in the way in which you have described, with reference to these foundations and on what ground? Or why could it not?

Dr. KIRCHWEY. If it could not it would be only on the ground that there is no reserved power in the courts to alter the legal rights created by the trust.

Commissioner COMMONS. Was that a trust?

Dr. KIRCHWEY. I am not familiar with it; I was under the impression it was; it is always known as the Girard Trust.

Commissioner COMMONS. Could the Legislature of Pennsylvania modify it?

Dr. KIRCHWEY. I am not familiar with the constitution of Pennsylvania, but if it be, as I assume it to be, a pure trust with definite beneficiaries and not a mere corporation, exercising functions like the charitable functions of our corporations here, unless there is some special provision in the Pennsylvania constitution, I do not see how the legislature could materially modify such a trust. The legislature can no more modify a trust that it can take away my property without due process of law and without making due compensation. In other words, a trust is protected as any other estate, real or personal, is protected by the constitutional sanctions which have been thrown around property.

Commissioner COMMONS. Suppose the public opinion of Pennsylvania had reached the stage where it was dissatisfied with certain features of the Girard Foundation, are you in a position to tell how the State of Pennsylvania, or the authorities affected, could proceed to modify that trust or that foundation, whatever it may be?

Dr. KIRCHWEY. Of course, everything depends on what it is; if it is a corporation like these we are discussing here, then the method of dealing with it is the same as that I have described, and the legislature has practically unrestrained power in dealing with it; if it is a pure trust—an administrative trust with definite beneficiaries, neither more or less than that—I do not see how property can be taken away from the trustees or the use of it materially affected, even in deference to public opinion, unless, under the exercise of the police power some general regulation should be adopted by the legislature prohibiting the use of the trust funds for certain purposes deemed inimical to the public interest. I can not think of any other way of modifying the trust. May I, for example, put a case in order to get your idea clear?

Commissioner COMMONS. Yes, sir.

Dr. KIRCHWEY. Suppose the Girard Trust, assuming it to be a simple trust and not a charitable corporation, to make the rough distinction which we have been making here—suppose it should, its founder having been hostile to evangelistic religion—suppose it should undertake an active propaganda

for breaking down all the religions that flourish in Pennsylvania, and suppose that Billy Sunday should previously have converted the people of Pennsylvania to such a frame of mind that this would be regarded as conduct seriously detrimental to the public welfare; in that case I doubt not that the Legislature of Pennsylvania could pass an act prohibiting the dissemination of irreligious or antireligious literature, and if the judges of the Supreme Court of Pennsylvania should also have become sufficiently religious in the meantime, why, such legislation might be sustained as being a proper exercise of the police power.

Commissioner COMMONS. Would that police power apply in the State of New York with these foundations?

Dr. KIRCHWEY. Yes, sir.

Commissioner COMMONS. That could be invoked?

Dr. KIRCHWEY. Yes; and that was a point not brought out in the direct examination, that the power of the legislature is not limited to altering, repealing, or abolishing a specific charter; it may enact general laws in the exercise of the police power which would seriously restrict the privileges of corporations, always assuming that those acts are sustained by the courts as a proper exercise of the police power.

Commissioner COMMONS. One question on a little different matter. I think you said this Rockefeller Foundation could employ strike breakers. Do you mean to say that, and following that out—did you understand what you answered? Do you know what a strike breaker is?

Dr. KIRCHWEY. I do; and I think I must withdraw my answer if I said that. What I had in my mind was the question whether the Rockefeller Foundation could promote the employment of strike breakers. In my opinion, it certainly could not maintain an employment agency for strike breakers and use them directly for commercial purposes in breaking up strikes, if that is the meaning of the question?

Commissioner COMMONS. In what way could it promote the use of strike breakers?

Dr. KIRCHWEY. Why, I am assuming, in making that qualification, that the public is not yet unanimously or even so generally convinced of the wickedness of employing strike breakers that we may count on a definite public opinion or a definite judicial pronouncement against the practice.

Commissioner COMMONS. By "promotion" you simply mean it may advocate the employment of strike breakers?

Dr. KIRCHWEY. Yes; I presume it might in the present state of public opinion advocate the use and employment of strike breakers.

Commissioner COMMONS. And defend the Colorado Fuel & Iron Co. when it so employed strike breakers?

Dr. KIRCHWEY. Yes, sir.

Commissioner COMMONS. That is as far as you intend to go?

Dr. KIRCHWEY. Yes; that is as far as I intend to go, and if I went further in my previous answer I shall have to take a backward step.

Commissioner COMMONS. In the exercise of the police power, could the State control the publications of this association or foundation?

Dr. KIRCHWEY. I should think not, as a general proposition. It might enact a general law prohibiting certain classes of publications, but it seems to me it would clearly be outside any proper exercise of the police power—and by "proper" I mean likely to be sustained by the courts as proper—to prohibit the publication, the general publication, of matter by a particular corporation.

Commissioner COMMONS. That is all.

Chairman WALSH. Commissioner Lennon has a question which he would like to propound.

Commissioner LENNON. Professor, under the powers granted to this corporation in the first instance, the board of directors or trustees are the ones that have sole power to pass on the subject matter as to what is for the welfare of mankind?

Dr. KIRCHWEY. Yes.

Commissioner LENNON. The power rests with them?

Dr. KIRCHWEY. Yes.

Commissioner LENNON. What is your opinion as to whether or not the investment of such power in the hands of a few men is promotive of industrial or social unrest? Does the existence of such corporations, vesting such great power in the hands of a few men, promote industrial or social unrest, or otherwise?



Dr. KIRCHWEY. I am inclined to think, Mr. Commissioner, that concentration of enormous wealth in the hands of any individual or corporation is probably productive of more or less discontent and unrest. I should say that the situation was distinctly bettered by the transfer of that enormous wealth from an individual who is legally irresponsible to a corporation which is legally, to a considerable degree at least, responsible to the public. I should not think, in other words, that the possession of great wealth by the Carnegie—by the Rockefeller Foundation—I should not think that would be as apt to cause irritation and discontent and unrest as the possession and conspicuous use of that same wealth by Mr. Rockefeller himself.

Commissioner LENNON. Well, in your replies to the several questions indicating the power of these few individuals to pass upon that marvelous question as to what is for the welfare of mankind, which does not rest with individuals—no individual has any such power vested in him by the legislature—they may exercise such power, but they have no such power granted by law. now does the vesting of such power in the hands of a few not tend to social unrest? I do not wish to urge any further answer if you do not wish to make one.

Dr. KIRCHWEY. My own feeling is that it may possibly produce such an effect through emphasizing the fact that the power exists in a given case. Possibly the legislature may, by calling attention to the existence of the power, give rise to a certain amount of such unrest; but my own impression has been that the exercise of that power, which everybody knows is practically untrammelled, by a single individual—my observation has led me to believe that that is very much more irritating and likely to cause unrest.

Commissioner LENNON. That is all.

Chairman WALSH. Commissioner Weinstock would like to inquire.

Commissioner WEINSTOCK. On the whole, Doctor, do you regard a foundation such as the Rockefeller Foundation an advantage or disadvantage to society?

Dr. KIRCHWEY. You are asking me to pass upon a question which the commissioner who just questioned me said was a very difficult thing for any individual or group of individuals to pass on, namely, what do the best interests of humanity require? My own personal opinion is that it marks a distinct advance in the direction of social well-being to have great wealth transferred from irresponsible private hands and placed in the responsible hands of a group of persons who are incorporated and supervised by the State; and that for two reasons: First, because of the fact that corporations are supervised, and there is an opportunity to require of them a degree of publicity and conformity to public opinion, which one can not exact of a private owner; and second, because the administration of a private fortune is apt to be personal and selfish and for the benefit of the family of the owner and not apt to be devoted to the same extent to the public interest.

Commissioner WEINSTOCK. I infer, then, from what you say, Doctor, that if you had the power you would rather encourage than discourage foundations like the Rockefeller Foundation?

Dr. KIRCHWEY. May I answer your question in a slightly different form? I would encourage the transfer of private wealth to quasi-public institutions: Whether in the last analysis such institutions or foundations are in the public interest, is a question I do not want to go into. It may well be that the world—that humanity—would be better and more virtuous if there were no accumulations of great wealth anywhere in the hands of the State, of corporations, or of individuals; but these accumulations do exist, and as long as they exist it seems to me that it is better that they should be in the hands of corporations under a public responsibility and under public control than in the hands of private individuals.

Commissioner WEINSTOCK. Well, from what you know of economic conditions, Doctor, do you think that our present industrial and commercial progress could have been possible if fortunes, for example, had been limited by law to say \$1,000,000?

Dr. KIRCHWEY. I am not a professed economist, but only a lawyer. My friends who are economists are divided in opinion on that question. I have always entertained the belief that the period of industrial development through the employment of great accumulations of capital was an essential phase of the development of industrial society. Whether that same result could have been secured through a wider distribution of capital and its concentration in some other form under laws preventing individual control, I think is a question that is fairly debatable.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. Commissioner Garretson has some questions to ask.

Commissioner GARRETSON. Doctor, on that last question and answer as to your belief in regard to the creation of foundations; do you believe that—and I am only asking for an expression of opinion—do you believe that the passing of all of these foundations into quasi-public control would be beneficial?

Dr. KIRCHWEY. Do you mean actual public control?

Commissioner GARRETSON. I would say actual domination by representatives of the public?

Dr. KIRCHWEY. I shall have to confess, in order to answer the question, that I am quite out of sympathy with the prevailing tendency to concentrate the actual administration of and control of private affairs in governmental hands. I do not mean by that that I do not believe that rigid inspection and supervision by the State of our industrial and benevolent corporations may not be necessary. I do believe that thoroughly, because I believe no man nor any group of men is quite great enough, quite good enough, to be trusted with the well-nigh absolute power which these great corporations would wield were it not for State control.

On the other hand, I do not see anything in our political experience to justify us in feeling very sanguine as to the benefits of political control or administration of such matters. We shall, doubtless, have more and more of that, and I presume that, like everybody else, as I become more and more socialized, or shall I say socialistic—which is the danger that we all stand in now—that I shall become reconciled to, and perhaps welcome, various forms of municipal and State ownership. But it will be a long time, I think, before I take the view that great charitable trusts could more safely, more wisely, and more disinterestedly be administered through political agencies than through private agencies which are rigidly supervised by the State.

Commissioner GARRETSON. It was in defense to that very existing opinion I used the term "quasi control," instead of actual, and afterwards modified it. You do, then, think and believe in supervision and regulation?

Dr. KIRCHWEY. Distinctly.

Commissioner GARRETSON. As apart and from the individualist untrammelled control, either individual or a group, as in this case?

Dr. KIRCHWEY. By all means. As I have stated, I do not believe the individual exists, or the group of individuals, who can safely be trusted with unlimited power.

Commissioner GARRETSON. Now, under the legal remedies which you have named, if a foundation like this can maintain domination over the members of the corporation—that is, the trustee under this act, I believe—and are able by any means, legitimate or otherwise, to secure nonaction from the attorney general, there is no legal remedy open?

Dr. KIRCHWEY. There is no remedy by legal process open. What remains is to secure, through public opinion, legislative action.

Commissioner GARRETSON. I am using legal in the sense of court processes?

Dr. KIRCHWEY. Yes; you are quite right.

Commissioner GARRETSON. Then, the only thing open is legislative action in one of two ways, either general or specific?

Dr. KIRCHWEY. Yes.

Commissioner GARRETSON. Generally, as applied not only to the foundation or corporation in question, but to all alike, corporations or foundations, the special could only be legitimately exercised in the way of limitation of the powers of the foundation along the lines of its original intention?

Dr. KIRCHWEY. Yes; quite right.

Commissioner GARRETSON. That is all.

Chairman WALSH. That is all, thank you. You will be permanently excused. Antoni Wiater.

#### TESTIMONY OF MR. ANTONI WIATER.

Commissioner WALSH. Your name, I believe, is Antoni Wiater?

Mr. WIATER. Yes.

Chairman WALSH. A-n-t-o-n-i W-i-a-t-e-r?

Mr. WIATER. Yes.

Chairman WALSH. Where do you live?

Mr. WIATER. Chrome.

Chairman WALSH. Chrome, N. J.?



Mr. WIATER. Yes.

Chairman WALSH. What is your age?

Mr. WIATER. Thirty-eight years.

Chairman WALSH. Please speak a little louder, so that this last gentleman can hear you.

Mr. WIATER. All right.

Chairman WALSH. Are you a native of this country?

Mr. WIATER. No; old country.

Chairman WALSH. Where were you born?

Mr. WIATER. Pole country.

Chairman WALSH. Poland?

Mr. WIATER. Yes.

Chairman WALSH. How long have you lived in the United States?

Mr. WIATER. Twenty-three years.

Chairman WALSH. Are you an American citizen?

Mr. WIATER. Yes.

Chairman WALSH. Naturalized and a voter in this country?

Mr. WIATER. Yes.

Chairman WALSH. Are you married or single?

Mr. WIATER. Yes—married.

Chairman WALSH. How many children have you?

Mr. WIATER. Five.

Chairman WALSH. What are their names?

Mr. WIATER. Adam, Johnnie, Mary, and Andy.

Chairman WALSH. What are their ages?

Mr. WIATER. And Steve.

Chairman WALSH. And Steve?

Mr. WIATER. The last.

Chairman WALSH. How old are they?

Mr. WIATER. Thirteen, eleven, nine, six and a half, and fourteen months—the last.

Chairman WALSH. The last is 14 months old?

Mr. WIATER. Yes.

Chairman WALSH. How many of them go to school?

Mr. WIATER. Four.

Chairman WALSH. And what schools do those children go to?

Mr. WIATER. The public school.

Chairman WALSH. At Chrome?

Mr. WIATER. Yes.

Chairman WALSH. How long have you lived at that place?

Mr. WIATER. Twenty-three years.

Chairman WALSH. Are you working now?

Mr. WIATER. Worked before, not working now; strike now.

Chairman WALSH. You are on a strike now?

Mr. WIATER. Yes.

Chairman WALSH. How long did you work—what company were you working for before you went on a strike?

Mr. WIATER. The copper work there.

Chairman WALSH. Whereabouts?

Mr. WIATER. In Chrome.

Chairman WALSH. In Chrome?

Mr. WIATER. Yes.

Chairman WALSH. At what place were you working when you went on a strike?

Mr. WIATER. When I was to be working at the copper, I went away and just came back to the Liebig.

Chairman WALSH. The Liebig plant? What do they do?

Mr. WIATER. Fertilizer factory.

Chairman WALSH. Now, how long have you been back? You say you quit and came back?

Mr. WIATER. I came just before election day.

Chairman WALSH. That was last fall?

Mr. WIATER. Last fall.

Chairman WALSH. What did you do in the Liebig plant?

Mr. WIATER. I shovel and pick.

Chairman WALSH. Is that work hard?

Mr. WIATER. Yes.

Chairman WALSH. What do you shovel?

Mr. WIATER. Stuff, phosphate, what they call them.

Chairman WALSH. What is that used for?

Mr. WIATER. That makes up, they mix up the acid and that together.

Chairman WALSH. Is that work hard?

Mr. WIATER. Work is hard.

Chairman WALSH. How many hours per day do you work?

Mr. WIATER. Ten hours.

Chairman WALSH. Is it dirty work?

Mr. WIATER. It is dirty work.

Chairman WALSH. Do you smell bad when you come home?

Mr. WIATER. Yes.

Chairman WALSH. And the work is of a very offensive nature?

Mr. WIATER. It is awful bad.

Chairman WALSH. And the place stinks?

Mr. WIATER. Stinks like anything.

Chairman WALSH. And the men who work there stink?

Mr. WIATER. Yes.

Chairman WALSH. If there is any audible expression we will have to adjourn until such time as it ceases.

Mr. WIATER. People come from the city and they can't go past the place.

Chairman WALSH. The people who come from New York and such places can't go past the works? Why not?

Mr. WIATER. They take a handkerchief and put on their nose and their mouth.

Chairman WALSH. It smells so offensive?

Mr. WIATER. Yes.

Chairman WALSH. Last fall when you came back there what wages did you receive?

Mr. WIATER. One dollar and sixty cents.

Chairman WALSH. And what did you receive before when you were there?

Mr. WIATER. Two dollars.

Chairman WALSH. When did the \$1.60 a day rate go into effect?

Mr. WIATER. Before about four months, I think.

Chairman WALSH. How much rent do you pay?

Mr. WIATER. Nine dollars and a half.

Chairman WALSH. Your wife is living?

Mr. WIATER. Yes.

Chairman WALSH. Have you a receipt for your rent?

Mr. WIATER. Yes.

Chairman WALSH. Hand it to the sergeant at arms.

Mr. WIATER. I didn't bring that receipt, I bring it and give it to the gentleman over in the office before, the rent and coal and wood.

Chairman WALSH. You pay \$9.50 rent?

Mr. WIATER. Yes.

Chairman WALSH. And who do you rent from?

Mr. WIATER. A fellow over there.

Chairman WALSH. Your landlord is a resident of Chrome?

Mr. WIATER. Yes.

Chairman WALSH. And he has no connection with the company?

Mr. WIATER. I don't understand about what kind of company, what it is.

Chairman WALSH. You rent from whom; what is his name?

Mr. WIATER. Steinberg.

Chairman WALSH. Has he any connection so far as you know with the company you work for?

Mr. WIATER. I think he no.

Chairman WALSH. You think he what?

Mr. WIATER. I think he no.

Chairman WALSH. Does he work for the Liebig Co.?

Mr. WIATER. That fellow?

Chairman WALSH. Yes.

Mr. WIATER. No; he is a business man; got a grocery.

Chairman WALSH. He has nothing to do with the company you work for; you rent from him?

Mr. WIATER. Yes.

Chairman WALSH. How many rooms are there in your house?

Mr. WIATER. Three.



Chairman WALSH. And you pay \$9.50 a month rent?

Mr. WIATER. Yes; \$9.50.

Chairman WALSH. How much is your grocery bill?

Mr. WIATER. Thirty-five dollars.

Chairman WALSH. Have you got the bill for that?

Mr. WIATER. Yes.

Chairman WALSH. Hand it to the sergeant at arms.

(Papers handed to the commissioner.)

You say you pay a grocery bill per month of \$35?

Mr. WIATER. Yes.

Chairman WALSH. Is your wife a saving sort of woman?

Mr. WIATER. Oh, yes.

Chairman WALSH. Does she run the house as cheap as she can?

Mr. WIATER. Yes; she washes some people's clothes.

Chairman WALSH. She goes out and does some washing herself?

Mr. WIATER. Yes.

Chairman WALSH. Is she a woman that is careful about spending her money?

Mr. WIATER. Yes.

Chairman WALSH. Now, this says "J. Steinberg." That is your landlord, and he also runs the grocery store?

Mr. WIATER. Yes.

Chairman WALSH. And in a month your bill is \$35?

Mr. WIATER. Yes; that is what they say.

Chairman WALSH. What month is that?

Mr. WIATER. Last month.

Chairman WALSH. And how does it compare with other months before that?

Mr. WIATER. I don't pay the bill. I got no money, and he trusts me.

Chairman WALSH. I know, but before, when you did work, how much was the bill?

Mr. WIATER. Sometimes \$35, sometimes \$34, sometimes \$33; something like that.

Chairman WALSH. It runs about that?

Mr. WIATER. It don't come every month the same.

Chairman WALSH. How much do you pay to your butcher per month?

Mr. WIATER. I got it here. Last month \$10.17. Last month I don't pay and he don't trust me; he don't give me any more meat.

Chairman WALSH. What do you say—this month they don't give you any more meat?

Mr. WIATER. He don't give me any more. He stopped the meat now.

Chairman WALSH. While you were working you bought on credit and had it charged on the book?

Mr. WIATER. Yes.

Chairman WALSH. Is that right?

Mr. WIATER. Yes.

Chairman WALSH. Now that you are on a strike—

Mr. WIATER. He don't give me no more.

Chairman WALSH. He don't give you any more meat?

Mr. WIATER. No.

Chairman WALSH. Before that it was \$10.17 that you paid; was that about what you paid each month?

Mr. WIATER. Each month; yes.

Chairman WALSH. And did you in your family, did you observe that you eat more meat?

Mr. WIATER. That I can buy no more; we can't buy no more; I can hardly pay; got no money—no more money.

Chairman WALSH. That is not what I mean. The point is that when you did have the money did you eat any more meat than the ordinary workingman over there?

Mr. WIATER. Oh, yes.

Chairman WALSH. I guess you do not understand me. Please do not interrupt. What I am trying to say is, did you eat meat just about like every other man does in his family over there?

Mr. WIATER. No; I see people different altogether. I buy just 18, 13, 14 cents to the soup, a quarter pound only for work myself for dinner.

Chairman WALSH. You paid what for soup?

Mr. WIATER. Thirteen cents and fourteen cents they charge for soup.

Chairman WALSH. For soup meat?

Mr. WIATER. Yes; 1 pound.

Chairman WALSH. And what was it you took to work?

Mr. WIATER. A quarter of a pound.

Chairman WALSH. A quarter of a pound you took to work with you?

Mr. WIATER. Yes; dinner time.

Chairman WALSH. Was that everything that you had? That would show that you didn't use an extra large amount of meat.

Mr. WIATER. I had something else; sometimes my wife would fix—sometimes sauerkraut, sometimes potatoes, and send them by the boy; bring just a small dinner pail.

Chairman WALSH. The boy brought your dinner pail to you?

Mr. WIATER. Yes.

Chairman WALSH. Did you buy more meat or less meat than the neighbors?

Mr. WIATER. I don't buy.

Chairman WALSH. Did you buy more or less before that time?

Mr. WIATER. Well, like it.

Chairman WALSH. Just like it?

Mr. WIATER. Yes.

Chairman WALSH. How much did you pay to the baker?

Mr. WIATER. Eight dollars and thirty-one cents.

Chairman WALSH. Have you got the bill there?

Mr. WIATER. Yes, sir.

Chairman WALSH. What month was that?

Mr. WIATER. Last month.

Chairman WALSH. We must have perfect order, ladies and gentlemen.

Did you bring over a bill that you were asked by the investigator who called upon you, Mr. West, I believe it was?

Mr. WIATER. Yes; that is all the bill I had. I suppose that is a good bill.

Chairman WALSH. Did he ask you to bring over your baker's bill?

Mr. WIATER. I got it right there in the book. This is a good bill; this is paid; last month I pay.

Chairman WALSH. You paid last month?

Mr. WIATER. Yes; I paid right here in the book.

Chairman WALSH. Are you still running an account with the baker now?

Mr. WIATER. Eight dollars and thirty-one cents.

Chairman WALSH. Are you still getting bread on the book from the baker now?

Mr. WIATER. No.

Chairman WALSH. Why?

Mr. WIATER. No steal—what do you call?

Chairman WALSH. Do you still buy bread and have it put on the book? I said, "Do you continue"—I didn't say steal, I mean still. I said, "still," not "steal." Do you still buy bread and have it charged on the book?

Mr. WIATER. They charge me on the book every month, everything on the books.

Chairman WALSH. You still get credit, do you?

Mr. WIATER. Yes.

Chairman WALSH. They still give you credit?

Mr. WIATER. I don't understand you. I don't get any more; another fellow come from Elizabeth and he start the business in the butcher shop and he don't know me.

Chairman WALSH. The butcher does not know you like the baker?

Mr. WIATER. No.

Chairman WALSH. And he won't sell you meat?

Mr. WIATER. No.

Chairman WALSH. But you can still buy your bread on credit from the baker?

Mr. WIATER. Yes.

Chairman WALSH. Because he knows you?

Mr. WIATER. He know me.

Chairman WALSH. What do you pay per month for coal?

Mr. WIATER. Two dollars and a half.

Chairman WALSH. That is in winter time?

Mr. WIATER. Yes; winter time.

Chairman WALSH. Have you got your bill for that here?

Mr. WIATER. I told him to bring that over.



Chairman WALSH. You know that is the amount you have to pay?

Mr. WIATER. Yes.

Chairman WALSH. Do you use wood, too?

Mr. WIATER. Yes.

Chairman WALSH. What do you use the wood for—\$2.50 per month?

Mr. WIATER. Start them up and put the wood on first and after put coal.

Chairman WALSH. Have you your life insured for your family?

Mr. WIATER. Yes; I got him right here.

Chairman WALSH. Have you got the book there?

Mr. WIATER. Yes.

Chairman WALSH. The house will please be in perfect order. It is difficult to examine this gentleman; he does not understand the language. Please keep perfectly quiet.

How much are you insured for?

Mr. WIATER. The children?

Chairman WALSH. No; you.

Mr. WIATER. Myself? I got right here another bill. That is two lodges. This is my wife's, and this is mine.

Chairman WALSH. Are you insured in the lodge?

Mr. WIATER. Yes.

Chairman WALSH. The Polish National Alliance?

Mr. WIATER. Yes.

Chairman WALSH. How much are you insured for?

Mr. WIATER. For \$1,000.

Chairman WALSH. For \$1,000?

Mr. WIATER. Yes.

Chairman WALSH. Are your children insured?

Mr. WIATER. I got them here.

Chairman WALSH. Have you got your insurance paid up in the lodge?

Mr. WIATER. Yes; I got a book.

Chairman WALSH. That is the book?

Mr. WIATER. Yes.

Chairman WALSH. That shows what your payments are?

Mr. WIATER. So much per month.

Chairman WALSH. And what are your children insured for?

Mr. WIATER. Ten cents per week.

Chairman WALSH. That is insurance enough to bury them if they die?

Mr. WIATER. I guess it is.

Chairman WALSH. How much do you get from that insurance in case the child dies?

Mr. WIATER. I do not know. In the book, it says.

Chairman WALSH. Don't you yourself know how much it is?

Mr. WIATER. I can't read nor spell it.

Chairman WALSH. How many children are insured—all of them?

Mr. WIATER. Four.

Chairman WALSH. Four of them—three in the Prudential Insurance Co., and the other in the Colon Insurance Co., you don't know the name?

Mr. WIATER. Yes; the collector come—he lives in Chrome.

Chairman WALSH. The collector lives in Chrome?

Mr. WIATER. Yes.

Chairman WALSH. How much do you pay for insurance for yourself per month, yourself and children?

Mr. WIATER. It is \$2 one insurance, and another \$1; \$2 and \$4 for \$1,000.

Chairman WALSH. How much is it? Do you know how much you pay per month for insurance for yourself?

Mr. WIATER. I don't know how much money; I don't count it.

Chairman WALSH. Don't you know how much it amounts to?

Mr. WIATER. No; I do not.

Chairman WALSH. You pay \$2 a month?

Mr. WIATER. For one.

Chairman WALSH. For one?

Mr. WIATER. Yes; and another \$1 for \$600.

Chairman WALSH. Mr. West seems to have figured it up here, and I will see whether that recalls to you. He says for insurance about \$4.60 a month for yourself and children. Do you know whether that is correct?

Mr. WIATER. Yes; \$4.60.

Chairman WALSH. Is your wife insured, too?

Mr. WIATER. Yes.

Chairman WALSH. Well, we will assume it is \$4.60. It amounts to \$4.60 according to this.

Mr. WIATER. More than that.

Chairman WALSH. Do you owe the grocery man?

Mr. WIATER. Yes.

Chairman WALSH. How much do you owe him?

Mr. WIATER. Thirty-five dollars.

Chairman WALSH. And do you owe the butcher?

Mr. WIATER. The butcher, too.

Chairman WALSH. How much do you owe him?

Mr. WIATER. Ten dollars and some pennies. I got a bill in there.

Chairman WALSH. Does the grocer still give you credit?

Mr. WIATER. He give me credit, just because he know me ever since I am married, and I am 19 years married.

Chairman WALSH. You said the butcher won't trust you; won't give you credit because he lately came from Elizabeth and he does not know you?

Mr. WIATER. He came from Elizabeth.

Chairman WALSH. How do you get your meat now?

Mr. WIATER. I don't eat meat this time.

Chairman WALSH. What do you and the family eat?

Mr. WIATER. Eat bread and coffee.

Chairman WALSH. Just what you can get on credit?

Mr. WIATER. That is all.

Chairman WALSH. How much does your clothing cost you per month?

Mr. WIATER. My clothes cost, some shoes last \$2.70; for the shoes a month and sometimes more.

Chairman WALSH. You pay \$2.70 for the shoes. How much would you say your clothes altogether cost?

Mr. WIATER. I can't tell you just for sure because they sometimes last longer and sometimes wear out.

Chairman WALSH. How much do your wife's shoes cost?

Mr. WIATER. Two dollars and fifty cents.

Chairman WALSH. Two dollars and fifty cents?

Mr. WIATER. Yes.

Chairman WALSH. And your children's shoes?

Mr. WIATER. One dollar and eighty cents.

Chairman WALSH. One dollar and eighty cents. And how long does a pair of shoes last for you?

Mr. WIATER. Last one month, a pair of shoes I use to work.

Chairman WALSH. Why don't your shoes last longer?

Mr. WIATER. The acid eats it up.

Chairman WALSH. The acid eats up the shoes?

Mr. WIATER. Yes. Sometimes two months and sometimes three months.

Chairman WALSH. And the children's shoes?

Mr. WIATER. Every month got to buy.

Chairman WALSH. Every month; they wear them out fast.

Mr. WIATER. Yes; because the children go to school, and they run out and the boys run out.

Chairman WALSH. The boys run around?

Mr. WIATER. Yes.

Chairman WALSH. And the children, how much do you pay for the children's clothes?

Mr. WIATER. I can't tell sure.

Chairman WALSH. Before you went on a strike did your children have plenty of warm clothes?

Mr. WIATER. No; just have; when I could work I couldn't make money enough for clothes. I can't make money, I no work before Christmas three days and before New Year's three days. I got no cent now.

Chairman WALSH. When you were making \$1.60 a day, was that enough to buy warm clothes for the children?

Mr. WIATER. Nothing at all.

Chairman WALSH. Not enough? What were your wages before you went on a strike?

Mr. WIATER. One dollar and sixty cents.



Chairman WALSH. And how many days in the month did you work?

Mr. WIATER. Well, work every week six days.

Chairman WALSH. I see that this is marked here by Mr. West, 27 shifts at \$1.60 a day. What do you mean by "shifts"?

Mr. WIATER. I don't know what you mean by "shift." I think about \$30 a month, and I got to pay about \$60 or \$71 to the butcher and baker and more of them, making that I come back all the time because I can not pay just all my bills.

Chairman WALSH. That is, when you were working at \$2 a day you couldn't make enough to support yourself and family?

Mr. WIATER. No.

Chairman WALSH. Are you a man of good habits?

Mr. WIATER. Yes, sir.

Chairman WALSH. Do you drink?

Mr. WIATER. No; don't drink at all.

Chairman WALSH. Do you chew?

Mr. WIATER. No.

Chairman WALSH. Smoke?

Mr. WIATER. I smoke a pipe.

Chairman WALSH. And your wife works hard?

Mr. WIATER. And my wife works hard.

Chairman WALSH. And keeps the family well kept and the house clean?

Mr. WIATER. Yes, sir.

Chairman WALSH. And cooks for you?

Mr. WIATER. Yes, sir.

Chairman WALSH. You say she always goes out and helps about washing?

Mr. WIATER. Yes.

Chairman WALSH. For whom does she wash?

Mr. WIATER. Some English people come and ask her and she goes out.

Chairman WALSH. And she goes out and washes for them?

Mr. WIATER. Yes, sir.

Chairman WALSH. So when you got \$2 a day, now, with your wife and five children that would be insufficient to live the way you do live over there and to buy one's clothing? I notice this is figured up, the total expenses for yourself and five children amounts to a little bit over \$70.

Mr. WIATER. I know that is there.

Chairman WALSH. And if you got the \$2 a day you would not still have enough for them to live on comfortably?

Mr. WIATER. Why, gentlemen, I tell you just now the truth. When I worked for \$2 before, my wife you know when the peddlers come around and bring cabbage and potatoes and things in the wagon, and she can buy cheaper than at the grocery if she pay the cash money on the street.

Chairman WALSH. Yes; when she had the cash money she could buy things cheaper.

Mr. WIATER. Yes.

Chairman WALSH. But you have been compelled, as I understand it, ever since you have been back there this last fall, to buy on credit?

Mr. WIATER. Yes.

Chairman WALSH. And you never have caught up?

Mr. WIATER. No.

Chairman WALSH. Did you try to pay your debts as far as your money would go?

Mr. WIATER. I asked the fellow to give me a bill before I come over here, and he says all right, and he says I show you the bill, you show the gentlemen you are a good man. You say you go to the offices, and they ask you why you no pay your bill, and you say I am a good customer for you, because I am 19 years by you and toward July I get married and I buy groceries from him.

Chairman WALSH. The groceryman told you you could take the bill over and show it to us?

Mr. WIATER. Yes.

Chairman WALSH. And show that you had been a customer for a long time?

Mr. WIATER. Yes; I live all the time at Chrome——

Chairman WALSH. You lived at Chrome, and he knew you 19 years?

Mr. WIATER. Twenty-three years.

Chairman WALSH. In ordinary times what do you do for amusement? Do you ever go to the theater or anything like that?

Mr. WIATER. No; we got no theater, only just the last year started.

Chairman WALSH. The children, do they go to picture shows?

Mr. WIATER. Don't have my children go.

Chairman WALSH. Why don't they go?

Mr. WIATER. I keep them home all the time and stay home and watch the book and read in the paper.

Chairman WALSH. You keep the children at home to read books and papers?

Mr. WIATER. Yes, sir.

Chairman WALSH. And would you let them go to picture shows and the like of that if you had the money?

Mr. WIATER. We got no money.

Chairman WALSH. Commissioner Ballard would like to ask you a few questions.

Commissioner BALLARD. You said you had been working in the copper works five years?

Mr. WIATER. Yes.

Commissioner BALLARD. Where was that?

Mr. WIATER. At Chrome.

Commissioner BALLARD. In the same place?

Mr. WIATER. Yes, sir.

Commissioner BALLARD. What did you get at the copper place?

Mr. WIATER. I had 25 cents an hour.

Commissioner BALLARD. How long did you work there?

Mr. WIATER. Eight years.

Commissioner BALLARD. Is that where you got the money ahead before you worked for the fertilizer company?

Mr. WIATER. No; I had more working over there because I worked on Sunday and worked overtime and made a little more money. I made about \$3.50 some days; I worked \$15 or \$16 a week doing copper work, because I worked every Sunday and overtime.

Commissioner BALLARD. And you struck there?

Mr. WIATER. No strike at all.

Commissioner BALLARD. You left there to come to this other place?

Mr. WIATER. They put me out from the work because it is all slack in the shop. They put 21 men out from the shop, and I got back to where I was working before 14 years, and I asked the man to give me a job, and he say, I can give you a job, but I give you only so much money, about \$1.60. I say I am satisfied; I got to do something; I got to keep my family.

Chairman WALSH. At this point we will stand adjourned until 2 o'clock this afternoon. Be back here at 2 o'clock, Mr. Wiater, to take the stand.

(Thereupon, at 12.40 o'clock p. m., Thursday, February 4, 1915, a recess was taken until 2 o'clock p. m.)

#### AFTERNOON SESSION.

Chairman WALSH. The house will be in order; we will proceed now.

Mr. Wiater, please resume the stand.

#### TESTIMONY OF MR. ANTONI WIATER—Continued.

Now, Mr. Wiater, at the noon recess I checked over these books and bills just a little and I am afraid, perhaps, that we do not understand each other. The book would indicate that your grocery bill, that is, for groceries alone, was in the neighborhood of about \$10 a month, so I thought perhaps the \$35 you stated included some of your debts, that is, included some back money you owed the grocery man. Do you understand?

Mr. WIATER. Yes.

Chairman WALSH. Well, how is that?

Mr. WIATER. Gentlemen, the clerks that are in the office here told me to bring all the bills and I got them from the coal dealer, from the butcher, from the baker, and from the grocer.

Chairman WALSH. Assuming that your grocery bill includes some money you owed the grocer before and that would not fall in one month, and say your expenses figured up about \$49 per month, and it did not allow for shoes or clothing or anything, so I would think from the way the book looks, and it is not very plain, that perhaps \$35 would not be for one month's groceries alone, but would include something that you owed the grocery man before or since.



Mr. WIATER. There was nothing but only the last month. I owed the \$35 because I know the fellow gave me the bill just on the last month.

Chairman WALSH. The grocery clerk gave you that bill?

Mr. WIATER. Yes.

Chairman WALSH. You said you had to buy one pair of shoes a month at least—that they did not last a month.

Mr. WIATER. No; they don't last a month.

Chairman WALSH. How great a part of a month do they last? How long do they last—three weeks?

Mr. WIATER. Three weeks sometimes, and sometimes two weeks and a half, or something like that.

Chairman WALSH. We will say that your shoes cost \$3.25 a month, and the children's shoes you say they were out in about a month, and there are four of them?

Mr. WIATER. Yes.

Chairman WALSH. How much do you say you paid for the children's shoes?

Mr. WIATER. One dollar and eighty cents.

Chairman WALSH. And your wife, you say, wears a pair of shoes perhaps three months and pays \$2.50 for them?

Mr. WIATER. Yes.

Chairman WALSH. So that costs 80 cents a month?

Mr. WIATER. Yes.

Chairman WALSH. Is there any way by which you can estimate the cost of your clothing and keeping up your house—buy new bedding and such as that and new kitchen stuff? First, I will ask you if you can tell what your clothes cost you a month?

Mr. WIATER. What do you mean? My clothes and the children's clothes, do you mean?

Chairman WALSH. For the whole family.

Mr. WIATER. I can't tell it because I don't get no bill. Sometimes I buy things one week and sometimes I buy things another week.

Chairman WALSH. Now assuming, and perhaps I should not, that your grocery bill proper is about \$10 a month, we have \$60 a month that you spend and you have bought no clothing; of course you have to buy warm under-clothing for the children?

Mr. WIATER. Yes.

Chairman WALSH. And for your wife?

Mr. WIATER. I don't buy it because I don't have the money. If I don't have the money, how can I buy?

Chairman WALSH. When you do have money you buy it?

Mr. WIATER. How can I get money? From who I get the money?

Chairman WALSH. Well, I know, but you have some clothes; where do you get your clothes?

Mr. WIATER. Here is my clothes [indicating suit he is wearing]. Here is all my clothes in seven years; it is nine years since I get these clothes.

Chairman WALSH. Well, you have the clothes you appear in here; are those your Sunday clothes?

Mr. WIATER. Yes.

Chairman WALSH. Have you got more than one suit?

Mr. WIATER. No, sir. That is all I got. What I have got on here now, gentlemen. I am ashamed to go in the city because I ain't got good clothes.

Chairman WALSH. Do you say you have not been able to buy a suit of clothes for nine years?

Mr. WIATER. This is all the clothes I have had for nine years.

Chairman WALSH. How about the children, they have to be clothed?

Mr. WIATER. They have pants and sweater and undershirt and a jacket.

Chairman WALSH. When did your wife buy a dress last?

Mr. WIATER. She don't buy them; she sews herself on the machine.

Chairman WALSH. Well, she buys the goods and makes her clothes, does she?

Mr. WIATER. Yes.

Chairman WALSH. Does she have any dresses made?

Mr. WIATER. Not at all. She makes them ever since I was married.

Chairman WALSH. Then your wages are are not sufficient with which to buy any clothing at all?

Mr. WIATER. I can't buy clothes.

Chairman WALSH. You can't even pay your bills, if I understand you, for what you have to eat?

Mr. WIATER. What?

Chairman WALSH. For your living you can not pay all the bills even when you are working?

Mr. WIATER. No; I can't.

Chairman WALSH. Commissioner Weinstock wants to ask you some questions.

Commissioner WEINSTOCK. Do you owe anybody any money?

Mr. WIATER. No, sir.

Commissioner WEINSTOCK. Are you in debt?

Mr. WIATER. No, sir.

Mr. WEINSTOCK. You don't owe anybody anything?

Mr. WIATER. Just the baker and the grocer.

Commissioner WEINSTOCK. How much do you owe the baker?

Mr. WIATER. Eight dollars and thirty-one cents.

Commissioner WEINSTOCK. How much do you owe the grocer?

Mr. WIATER. Thirty-five dollars.

Commissioner WEINSTOCK. Do you owe anybody else?

Mr. WIATER. That is all, and the butcher, too, I mean.

Commissioner WEINSTOCK. How much do you owe the butcher?

Mr. WIATER. I guess \$10.17, or something like that.

Commissioner WEINSTOCK. Ten dollars and seventeen cents.

Mr. WIATER. Something like that.

Commissioner WEINSTOCK. So all your debts are \$53?

Mr. WIATER. Yes.

Commissioner WEINSTOCK. If you had \$53 and could pay up the butcher, the baker, and the grocer, then you would not owe anybody anything?

Mr. WIATER. No.

Commissioner WEINSTOCK. You say you have been earning \$1.60 a day?

Mr. WIATER. Yes, sir.

Commissioner WEINSTOCK. And had been working 26 days a month?

Mr. WIATER. Not yet. Before Christmas I worked only three days, and before New Year's I worked three days.

Mr. WEINSTOCK. When you worked right along, you worked six days in the week for \$1.60 a day?

Mr. WIATER. Yes.

Commissioner WEINSTOCK. That would be equal to \$41.50 a month, and the chairman has figured out that it cost you about \$60 a month to live without buying clothes. Now, there are seven in your family?

Mr. WIATER. Yes, sir.

Commissioner WEINSTOCK. Yourself and wife and five babies?

Mr. WIATER. Yes.

Commissioner WEINSTOCK. I suppose \$10 a month for clothing would be very little for seven people?

Mr. WIATER. Very little.

Commissioner WEINSTOCK. That would make it \$70 a month?

Mr. WIATER. Yes.

Commissioner WEINSTOCK. Now, if it costs you \$70 a month to live, and you have only been earning \$41.50 a month, that would be \$28.50 short every month; that would be at the rate of \$325 a year. How do you explain that when you say you only owe \$53?

Mr. WIATER. It don't come that way every month, \$35; sometimes it is only \$20 or \$25, or \$30.

Commissioner WEINSTOCK. What?

Mr. WIATER. The grocery bill; I don't pay \$35 every month.

Commissioner WEINSTOCK. The chairman has only figured groceries at \$10 a month and not \$35, and after figuring groceries at \$10 and those things, including your clothes, cost according to this statement about \$70 a month to live, and you earn \$41.50; that makes a shortage of \$28.50 a month, which would be equal to nearly \$340 a year, so you would be \$340 worse off at the end of the year than you were at the beginning of the year, and if that was kept up for two or three years you would be in debt at the end of that time nearly a thousand dollars; yet you say that you are in debt only \$53.

Mr. WIATER. I don't work for \$1.60 all the time; I told you before dinner I work in the copper plant, and I get \$3.

Commissioner WEINSTOCK. You made \$3 a day there?



Mr. WIATER. Yes, sir; working Sundays and overtime.

Commissioner WEINSTOCK. How long have you been working for \$1.60 a day?

Mr. WIATER. I started before election.

Commissioner WEINSTOCK. That would be about the month of November?

Mr. WIATER. Yes, sir; the other people gave me a job over there about three days before election.

Commissioner WEINSTOCK. When you worked in the copper works you got \$3 a day for six days in the week, and when you worked on Sunday you got overtime?

Mr. WIATER. Yes, sir.

Commissioner WEINSTOCK. How much for overtime?

Mr. WIATER. Time and a half.

Commissioner WEINSTOCK. So on Sundays you would get \$4.50?

Mr. WIATER. Just time and a half.

Commissioner WEINSTOCK. When you worked in the copper works did you work overtime every Sunday?

Mr. WIATER. I worked every Sunday 8 hours; they only worked 8 hours; then I worked 10 hours a day, and that made overtime.

Commissioner WEINSTOCK. You worked every Sunday?

Mr. WIATER. Yes, sir; for three years. And on Easter and Christmas.

Commissioner WEINSTOCK. Then in the copper works you worked for \$3 a day for six days in the week and you got \$4.50 every Sunday, and that made \$22.50 a week?

Mr. WIATER. Yes, sir.

Commissioner WEINSTOCK. That gave you about \$90 a month, and a little over?

Mr. WIATER. About that. Sometimes I worked three hours overtime and sometimes I worked only two hours overtime.

Commissioner WEINSTOCK. Then this bad condition has only been for the last two or three months, when you had no work in the copper works, and you had to go back to the pick and shovel?

Mr. WIATER. Yes.

Commissioner WEINSTOCK. How soon do you expect to go back in the copper works?

Mr. WIATER. The boss told me when they shift the copper and they get a little busy they take me back again.

Commissioner WEINSTOCK. Then this pick and shovel job is only temporary and you are not going to work at it all the time?

Mr. WIATER. No, sir; I don't work steady at that.

Chairman WALSH. How much does your wife make taking in washing?

Mr. WIATER. Sometimes \$1 and sometimes \$1.50.

Chairman WALSH. For what time?

Mr. WIATER. A day.

Chairman WALSH. Does she contribute—does she use that money to live on?

Mr. WIATER. She buys something for the children.

Chairman WALSH. How many days a week does she wash?

Mr. WIATER. She don't wash every day; sometimes three days in the week, and sometimes two days in the week; and the rest of the time she cleans up the children's clothes.

Chairman WALSH. What she earns washing goes toward keeping up your house—that is, she buys things for the children, as clothes and such like?

Mr. WIATER. She buys what she wants for the children.

Chairman WALSH. But it goes into the house?

Mr. WIATER. It goes into the house.

Chairman WALSH. Now, the common laborers in that Liebig plant only get \$1.60 a day, do they?

Mr. WIATER. Not all of them; some work in the machine shop at \$2.50 a day.

Chairman WALSH. I say the common laborers. Those that work with pick and shovel, they get \$1.60 a day?

Mr. WIATER. Yes.

Chairman WALSH. And assume that they all try as hard as you do to get along, they are just as bad off as you are; that is, the common laborers that have no chance to go back to the copper works; there are many that can not go to the copper works, of those common laborers?

Mr. WIATER. Not everybody can go to the copper works.

Chairman WALSH. You worked there before?

Mr. WIATER. Yes, sir.

Chairman WALSH. Are there a whole lot of men in the Liebig Co. that work like you are now working all the time, common laborers, with pick and shovel?

Mr. WIATER. I never seen many of them working in the copper works; most of them are Americans that get the job there; I am a Polack.

Chairman WALSH. Who owns the copper works?

Mr. WIATER. I can't spell them.

Chairman WALSH. Is there a union there?

Mr. WIATER. No union; they work eight and nine hours a shift.

Chairman WALSH. Is it Guggenheim's plant?

Mr. WIATER. No.

Chairman WALSH. Then when you made \$3 a day that was \$3 for eight hours work?

Mr. WIATER. Yes.

Chairman WALSH. Then you worked overtime, sometimes two and sometimes three hours a day?

Mr. WIATER. Yes.

Chairman WALSH. And you say you worked every Sunday for three years?

Mr. WIATER. Yes; and Christmas, too.

Chairman WALSH. What time did you go to church, or what time did you have with your family?

Mr. WIATER. There are two of us that work 24 hours; we have 24-hour shifts, and we change every two weeks.

Chairman WALSH. You work 24 hours continuously?

Mr. WIATER. I work right along continuously.

Chairman WALSH. How often did you say you changed shifts?

Mr. WIATER. Once every two weeks.

Chairman WALSH. You worked 24 hours continuously?

Mr. WIATER. Yes.

Chairman WALSH. How long was that?

Mr. WIATER. The last three years.

Chairman WALSH. How much did you get for your 24 hours' work, \$6?

Mr. WIATER. No; they put me on a shift.

Commissioner WEINSTOCK. If it was time and a half, you got \$9, didn't you?

Mr. WIATER. No; it was a shift.

Chairman WALSH. You say you worked in the copper works on holidays?

Mr. WIATER. Yes.

Chairman WALSH. On Christmas and the Fourth of July?

Mr. WIATER. Yes.

Chairman WALSH. And New Year's?

Mr. WIATER. Yes.

Chairman WALSH. And Thanksgiving?

Mr. WIATER. Yes; Thanksgiving.

Chairman WALSH. Commissioner O'Connell wants to ask you some questions.

Commissioner O'CONNELL. Are you a member of a union of any kind?

Mr. WIATER. There ain't no union down there; we have only one shop belonging to the union and that is the wheelers and the people are machinists; there is only one in Chrome.

Commissioner O'CONNELL. Do you belong to a union?

Mr. WIATER. Not now.

Commissioner O'CONNELL. Did you ever belong to a union?

Mr. WIATER. I did in the old country.

Commissioner O'CONNELL. What kind of a union was that?

Mr. WIATER. I forget about it.

Commissioner O'CONNELL. Did you ever learn a trade?

Mr. WIATER. I was a pipe fitter.

Commissioner O'CONNELL. Did you ever work at it in this country?

Mr. WIATER. Yes; and in the copper works.

Commissioner O'CONNELL. Copper-pipe fitting?

Mr. WIATER. Yes.

Commissioner O'CONNELL. You are a coppersmith, then? Do you do copper work, work on copper pipes?

Mr. WIATER. I can't explain what the copper is.

Commissioner O'CONNELL. Did you learn that in the old country?

Mr. WIATER. I did a little over there and in this country, too.

Commissioner O'CONNELL. Is there any union at all in this plant where you are working?



Mr. WIATER. No.

Commissioner O'CONNELL. In this place where you are working now?

Mr. WIATER. They have started one.

Commissioner O'CONNELL. And that is where the strike occurred?

Mr. WIATER. Yes.

Commissioner O'CONNELL. Did you belong to the union then?

Mr. WIATER. No; because I ain't got a dollar to pay.

Commissioner O'CONNELL. You didn't join because you didn't have a dollar?

Mr. WIATER. No.

Commissioner O'CONNELL. Wouldn't they take you in without the dollar?

Mr. WIATER. They didn't take me because I ain't got no money to pay.

Commissioner O'CONNELL. You wanted to join?

Mr. WIATER. Yes; I wanted to join. It is a good thing.

Commissioner O'CONNELL. You think it is better to belong to the union?

Mr. WIATER. Yes; because it is good for all the people. When they had the strike they put me on the committee, and they sent me to the office of the Armour plant and they sent me and another two fellows, and I go over there and talk a little bit. I explained in English that I want the superintendent, and the superintendent came outside of the gate, and told him what I can about the strike, and I ask him if he like the union, and he told me, he said, "I like the union." And I told the superintendent that we want more than \$1.60 a day, and he said "I can't pay any more than \$1.60 a day," and I said "Why?" And he said that they were having the war over in Belgium and they couldn't ship copper to Belgium because there was a war in Europe; and he said "When we are busy, we raise your wages." He said "If you like to work for \$1.60 you can work; and if you don't, we can't raise it any more."

Commissioner O'CONNELL. Who said that?

Mr. WIATER. The superintendent.

Commissioner O'CONNELL. They did pay \$2 at one time?

Mr. WIATER. Before the strike; and they cut wages to \$1.60—40 cents.

Commissioner O'CONNELL. Did they promise to give you \$2 again sometime?

Mr. WIATER. He said they can't now, because it is too slack.

Commissioner O'CONNELL. And before you struck you had a committee go up there to see if you couldn't get the \$2 wage back?

Mr. WIATER. I went and asked him and he said "Why do you go on a strike," and I said "Why don't you put up the wages; you cut the boys 40 cents"; and he don't say nothing, and we go out on a strike.

Commissioner O'CONNELL. Did the boss say anything to you about not joining the union?

Mr. WIATER. He said they like the union, because if the company had trouble they could settle it, and it was good for the working people, too.

Commissioner O'CONNELL. Who was the boss?

Mr. WIATER. Philips.

Commissioner O'CONNELL. Was he manager or superintendent?

Mr. WIATER. The superintendent.

Commissioner O'CONNELL. The head boss?

Mr. WIATER. The head boss; yes.

Commissioner O'CONNELL. He told you he liked the union?

Mr. WIATER. Yes.

Commissioner O'CONNELL. Did he want to make any arrangement with your committee to treat with you as union men or recognize you as union men?

Mr. WIATER. The fellows from New York came to start the union—the Italians and one Hungarian.

Commissioner O'CONNELL. Do you think he likes the union now?

Mr. WIATER. Yes, sir.

Commissioner O'CONNELL. You think the boss likes the union now?

Mr. WIATER. Yes; he told me at the office; at the gate.

Commissioner O'CONNELL. Have you talked with him since you have been out on strike?

Mr. WIATER. Yes; I talked to him about three weeks after the strike was on.

Commissioner O'CONNELL. Have you talked with him lately, in the last week or so?

Mr. WIATER. I talked with him one time.

Commissioner O'CONNELL. Have you seen him or has your committee gone to him and tried to get back to work, or make a settlement of your trouble?

Mr. WIATER. The committee was over there last week. And he said he would give 20 cents an hour or \$2 for 10 hours. He said he take the men back to work.

Commissioner O'CONNELL. You are talking now about the Armour plant, are you?

Mr. WIATER. Yes.

Commissioner O'CONNELL. I am talking about the chemical plant.

Mr. WIATER. I don't know about that; that is too far away.

Commissioner O'CONNELL. Was it the Armour plant or the chemical plant where the boss said he liked you? Which manager was it that said he liked the union?

Mr. WIATER. The Armour plant.

Commissioner O'CONNELL. I want to talk about the chemical plant.

Mr. WIATER. I don't know nothing about the chemical plant.

Commissioner O'CONNELL. Where were you working when the strike occurred?

Mr. WIATER. I worked for the Liebig plant.

Commissioner O'CONNELL. That is near the Armour plant?

Mr. WIATER. Yes.

Commissioner O'CONNELL. Where are you working now?

Mr. WIATER. Nowhere.

Commissioner O'CONNELL. Where was the last place you worked?

Mr. WIATER. At the Liebig plant.

Commissioner O'CONNELL. You did not work in the chemical plant at all?

Mr. WIATER. No.

Commissioner O'CONNELL. Oh, you were in this strike over there? You went on strike?

Mr. WIATER. Yes.

Commissioner O'CONNELL. Then you must have been working for the chemical company?

Mr. WIATER. No.

Commissioner O'CONNELL. There has been no strike at Armour's?

Mr. WIATER. The chemical plant is outside of town, and the strikers don't go over there.

Commissioner O'CONNELL. You are working for the Liebig Co.?

Mr. WIATER. Yes, sir.

Commissioner O'CONNELL. That is a fertilizing company?

Mr. WIATER. Yes, sir.

Commissioner O'CONNELL. That is one of the plants that went out on strike?

Mr. WIATER. Williams & Clyde and the Liebigs and the chemical and the Armour plant and Newark—the Newark people was just the same company.

Commissioner O'CONNELL. Was it the manager of the fertilizer company told you he liked the union?

Mr. WIATER. Didn't I tell you before Philips, the superintendent of the Armour plant, told me he liked the union.

Commissioner O'CONNELL. You were on a committee to go to the Armour plant?

Mr. WIATER. Yes, sir.

Commissioner WEINSTOCK. Up to three months ago you were working in the copper plant?

Mr. WIATER. No; three months.

Commissioner WEINSTOCK. Three months?

Mr. WIATER. Before election I start to work at Liebig.

Commissioner WEINSTOCK. How long did you work in the copper plant?

Mr. WIATER. Eight years.

Commissioner WEINSTOCK. And you made \$3 a day there?

Mr. WIATER. Three sometimes and sometimes more, I make.

Commissioner WEINSTOCK. And you worked every day in the week—seven days in the week?

Mr. WIATER. Seven days and sometimes more.

Commissioner WEINSTOCK. Sundays you got \$4.50?

Mr. WIATER. Time and a half.

Commissioner WEINSTOCK. Thirty days a month. \$3 a day is \$90, and \$1.50 extra for four Sundays made \$6. You say that your wife did washing two or three days in the week, and she got \$1.50 a day when she washed?

Mr. WIATER. She never washed when I make a little more money—she got to wash now.

Commissioner WEINSTOCK. When you were working in the copper she did not have to wash?

Mr. WIATER. No.



Commissioner WEINSTOCK. And you earned \$90 a month, and the chairman figured out that it cost you to live, including clothing, \$70 a month?

Chairman WALSH. I didn't figure that.

Commissioner WEINSTOCK. Somebody figured it \$70 a month.

Chairman WALSH. You added a certain amount for clothing yourself.

Commissioner WEINSTOCK. And you made it \$50?

Chairman WALSH. Ladies and gentlemen, I do not want to be dictatorial or anything of the sort, but I notice this afternoon many new people here and a disposition to give audible expression to your feelings. If it continues we will be compelled to adjourn and clear the hall and only allow a number to come in afterwards that can be controlled. I am going to ask you to cooperate with us, and if we are to have a fair understanding of this testimony we must have perfect order and no expression whatsoever. Something may be said that for the moment will appear very popular to the audience, and then shortly thereafter something may be said that you will want to give disapproval to, and you can see the necessity for cooperation and for the maintenance of the most perfect order.

Commissioner WEINSTOCK. You had arrived at \$60?

Chairman WALSH. Without any clothing.

Commissioner WEINSTOCK. And I added \$10 a month, making the \$70.

Well, now, that would leave you a balance of \$26 a month that you could save, if those figures are right. How comes it that you could not buy a suit of clothes in seven years when you had \$26 a month over—a surplus?

Mr. WIATER. I sure I got just money to buy clothes, but I see folks over here in New York, I never see such a thing where I come from; clothes all the different here and no care for their clothes over here in New York like there.

Commissioner WEINSTOCK. If you wanted to buy a suit of clothes you had money to buy them, didn't you?

Mr. WIATER. I had; when I worked in the copper I saved a little money.

Commissioner WEINSTOCK. Say you would rather save your money, then, than buy clothes with it.

Mr. WIATER. Certainly.

Commissioner WEINSTOCK. But you could have bought clothes if you had wanted to buy them?

Mr. WIATER. I just need some; never get no money; just before this last month I got no money; I didn't work, and that fellow will throw me out on the street; I have a little money, and I pay my bills, and this time I got no money, and the fellow stop my meat, and I get credit from my grocery man.

Commissioner WEINSTOCK. You took \$26 a month and saved it up?

Mr. WIATER. I save sometimes a couple or a few dollars.

Commissioner WEINSTOCK. If you were thrown out of work you would have this money in a bank to take care of you.

Mr. WIATER. I don't have no bank; keep home money; a few dollars.

Chairman WALSH. When his wife was confined he had doctor bills; how did he pay them?

Commissioner WEINSTOCK. The theory was he could not buy a suit of clothes on account that he had no money, and it developed he saved money in place of buying clothes.

Chairman WALSH. Commissioner O'Connell suggests that I ask, so that I will not have to go over it and he may not have to go over it, whether or not he paid for doctor and things like that?

Commissioner WEINSTOCK. No objection to that.

Chairman WALSH. I do not want to carry it any further. But when you made these better wages in the copper company were any of your family ever sick, and did you have to pay any doctor bills?

Mr. WIATER. Certainly I have to pay doctor bills.

Chairman WALSH. Have you lost any children?

Mr. WIATER. I lost two children.

Chairman WALSH. You lost two children, and, of course, you had to pay the funeral expenses?

Mr. WIATER. I know before about 18 years now.

Chairman WALSH. It is suggested probably they were insured. Were those children insured?

Mr. WIATER. One 11 months and one 6 weeks I lost.

Chairman WALSH. When your wife was confined, having these children, you had to pay for doctors?

Mr. WIATER. Certainly, I had to pay \$10.

Chairman WALSH. When you were making \$90 a month, did you have any fun; did you go to the theater or to picture shows?

Mr. WIATER. We got none over there.

Chairman WALSH. How much, when you were getting these better wages, were you able to save?

Mr. WIATER. I don't understand what you mean.

Chairman WALSH. How much did you save—you say you saved some?

Mr. WIATER. Sometimes \$2 or \$3, or maybe \$5 a week.

Chairman WALSH. I will see if I can straighten this out with you. The Liebig plant and the Williams & Clyde plant both belong to the American Agricultural & Chemical Co., do they not, or do you know that?

Mr. WIATER. I don't understand about that. I heard a gentleman say the Williams & Clyde and the Liebig had the Armour plant and the Newark; I don't know what the company is, all fertilizer factories, I heard, belonged to the same company, the trust company; that is all I know, because the fellows did talk over there by the meeting.

Chairman WALSH. How much money did you have saved up when you lost your job?

Mr. WIATER. Thirty-five dollars.

Chairman WALSH. You had that much on hand?

Mr. WIATER. Yes.

Chairman WALSH. And did not owe anybody anything?

Mr. WIATER. No.

Chairman WALSH. That is all. Witness excused.

Mr. Hepburn.

#### TESTIMONY OF MR. A. BARTON HEPBURN.

Chairman WALSH. State your name, please.

Mr. HEPBURN. A. Barton Hepburn—A. B. Hepburn.

Chairman WALSH. Where do you reside, Mr. Hepburn?

Mr. HEPBURN. 205 West Fifty-seventh Street.

Chairman WALSH. New York City?

Mr. HEPBURN. Yes, sir.

Chairman WALSH. What is your business, please?

Mr. HEPBURN. I am a dealer in credit—a banker.

Chairman WALSH. You are the chairman of the board of directors, I think, of the Chase National Bank, of New York City?

Mr. HEPBURN. Yes, sir.

Chairman WALSH. You are a director in the American Car & Foundry Co.?

Mr. HEPBURN. Yes, sir.

Chairman WALSH. And a director in the American Agricultural Chemical Co.?

Mr. HEPBURN. Yes, sir.

Chairman WALSH. And a director in the F. W. Woolworth Co.?

Mr. HEPBURN. Yes, sir.

Chairman WALSH. And in the Remington Typewriter Co.?

Mr. HEPBURN. No.

Chairman WALSH. In the Sears-Roebuck Co.?

Mr. HEPBURN. Yes.

Chairman WALSH. And also a member of the board of trustees of the Rockefeller Foundation?

Mr. HEPBURN. I am.

Chairman WALSH. When did you become a director in the American Agricultural Chemical Co.?

Mr. HEPBURN. It was soon after the panic of 1907.

Chairman WALSH. Did your bank have something to do with the reorganization of the company?

Mr. HEPBURN. It was not reorganized. Everybody had difficulty during the stringency that existed, and this company was undercapitalized, and they asked me to go on the board to aid them in increasing their capitalization. I told them I could do it just as well as a banker; I knew nothing of their business and could not afford to give attention to their business. They said they did not want that, but they did want some one in the board who could discuss the questions with the board as a whole; and I went in the board for that reason.

Chairman WALSH. How many directors are there of the American Agricultural Chemical Co.?



Mr. HEPBURN. Well, it is a large board—some twenty-odd; I don't remember.

Chairman WALSH. Is there an executive committee in the board?

Mr. HEPBURN. Yes.

Chairman WALSH. Are you a member of the executive committee?

Mr. HEPBURN. I am not.

Chairman WALSH. Who are the members of the executive committee?

Mr. HEPBURN. The president of the company, Peter B. Bradley, and the chairman of the board, Robert B. Bradley, Mr. Preston, Mr. Gifford, and Keno, I think.

Chairman WALSH. How many are there, Mr. Hepburn?

Mr. HEPBURN. Well, I don't know; I am not positive.

Chairman WALSH. Have you ever personally inspected the plants of the American Agricultural Chemical Co.?

Mr. HEPBURN. No, sir.

Chairman WALSH. When did you first hear there was a strike at that plant?

Mr. HEPBURN. When the papers published the fact.

Chairman WALSH. Was that prior to the difficulty that took place over there?

Mr. HEPBURN. Yes, sir.

Chairman WALSH. Did you learn what the demands of the strikers were?

Mr. HEPBURN. I called up the office and asked them about the strike and what occasioned it and what was involved. They told me they were striking for more pay and less hours, but that the matter was not difficult—the gist of the statement was that they had very many applications for employment, the difficulty was with the common laborers, and that they thought or hoped that when the strikers realized that there were so many people who wanted their places at the prices they were paying that they would resume work. They said they did not regard the situation as serious. The next thing I saw the account of the catastrophe over there.

Chairman WALSH. Did they say how much the men were being paid?

Mr. HEPBURN. Yes, sir.

Chairman WALSH. What did they say they were being paid?

Mr. HEPBURN. One dollar and sixty cents.

Chairman WALSH. One dollar and sixty cents per day; and did they say what hours they worked?

Mr. HEPBURN. Yes; I understood nine hours.

Chairman WALSH. Well, who did you talk to over the phone, Mr. Hepburn?

Mr. HEPBURN. Mr. Gifford.

Chairman WALSH. Who is Mr. Gifford?

Mr. HEPBURN. I believe—he is the vice president of the company and also a lawyer by profession, and their attorney, and actively connected with the management of the company.

Chairman WALSH. Does he live in New Jersey?

Mr. HEPBURN. No; he lives in New York. I can not give you his address—James M. Gifford.

Chairman WALSH. Did you or did you not ask him how many hours they were working?

Mr. HEPBURN. In this conversation?

Chairman WALSH. In this conversation.

Mr. HEPBURN. Well, my recollection is they stated nine hours.

Chairman WALSH. Have you given the substance of the conversation that you had with him?

Mr. HEPBURN. I think so.

Chairman WALSH. You saw in the papers that there was a strike in the plant, and you were a director in the plant and called him up and asked him about the strike?

Mr. HEPBURN. Yes.

Chairman WALSH. And he told you the strike was for more pay and shorter hours of work?

Mr. HEPBURN. Yes.

Chairman WALSH. And he told you the pay the common laborers were getting was \$1.60 per day and the number of hours was nine?

Mr. HEPBURN. That is my recollection; yes.

Chairman WALSH. And that the strike was only among the common labor—no skilled laborers involved; and that he thought, on account of the very great number of men that would come to take the strikers' places, it would be of very short duration? Do you know whether any of the men on strike had had homes there and lived there for any considerable time?

Mr. HEPBURN. I know nothing about it whatever.

Chairman WALSH. How large a place is Chrome?

Mr. HEPBURN. I don't know.

Chairman WALSH. Were you ever in Chrome?

Mr. HEPBURN. No.

Chairman WALSH. What sort of a plant has the American Agricultural Chemical Co. in Chrome?

Mr. HEPBURN. I don't know. It has plants all over the country, from Maine to Texas, more or less.

Chairman WALSH. What is the company capitalized for?

Mr. HEPBURN. Well, they have a bonded indebtedness, I think, of about \$15,000,000.

Chairman WALSH. And do you know what the total amount of their capital stock is?

Mr. HEPBURN. It is a large amount. They have an authorized preferred and common stock of \$50,000,000 each, and I think there are about \$27,000,000 of preferred stock issued, and I should think about \$10,000,000 less of the common.

Chairman WALSH. And the bonded indebtedness is \$15,000,000?

Mr. HEPBURN. About that.

Chairman WALSH. Does this one company operate all the plants, or are some of the others operated by subsidiary companies?

Mr. HEPBURN. Well, the company was made up originally by putting together a large number of companies, and they have gone right on, those separate companies, with their local management in practically the same way. I am speaking now generally. I know nothing whatever about the manufacturing plants—never have given any attention to it, further than such as might be reported to the board. The board only meets four times a year. The members of this board representing the different plants are widely separated and meet only four times a year. The executive committee is given power—very large powers—and they are in, I should think, practically continuous session.

Chairman WALSH. Did you make any attempt to find out whether the demands of the men that had been in the employment of that company were based upon justice or not?

Mr. HEPBURN. I made that inquiry after the shooting there. Then I tried to get some further information; but I found the officers were very much excited and very much surprised and were in possession of no information, and the matter ended there.

Chairman WALSH. What attempt did you make to find out, Mr. Hepburn, after the shooting occurred?

Mr. HEPBURN. What—after?

Chairman WALSH. Yes. Did you call some one over the telephone, or correspond—

Mr. HEPBURN (interrupting). Oh, yes; and I saw Mr. Gifford and talked with him about it.

Chairman WALSH. Where?

Mr. HEPBURN. I think he came into the bank. I saw him uptown.

Chairman WALSH. Whereabouts uptown?

Mr. HEPBURN. Well, at—we came from the same college, and I saw him at an alumni dinner held at Delmonico's.

Chairman WALSH. When was that after the shooting?

Mr. HEPBURN. I think it was the 22d or 23d of January.

Chairman WALSH. How much time had elapsed between the time that you heard in this first conversation that there was a strike on and the time you say you were advised by some one connected with the company or it came to your knowledge that a shooting had taken place over there?

Mr. HEPBURN. Why, I think it was a couple of days; very soon; very little difference.

Chairman WALSH. Has the strike ever been discussed in the meeting of the board of directors?

Mr. HEPBURN. There has been no meeting of the board of directors. It meets only four times a year.

Chairman WALSH. When was the last meeting of the board of directors of the American Agricultural Chemical Co.?

Mr. HEPBURN. Well, I don't know. I was not present at the last meeting. I should think it was some four or five weeks ago, more or less.

Chairman WALSH. When was the last meeting prior to that one?

Mr. HEPBURN. I can not give you the date, but they hold them four times a year.



Chairman WALSH. Were you at the meeting prior to the last one, four or five weeks ago?

Mr. HEPBURN. Yes; in the fall; early in the fall.

Chairman WALSH. What reports do the directors of that company receive from the management of these various plants?

Mr. HEPBURN. As I told you before, I am on the finance committee, and in going through the general business of the company, the reports of the general condition—finances of the company, and so forth. They then have reports from the managers of each of these factories, and it takes a very long time, and I do not attend them; I do not stay to them.

Chairman WALSH. But you would have an opportunity? It is your privilege, if not your duty, to stay throughout?

Mr. HEPBURN. I could stay there; yes.

Chairman WALSH. What information do you have? Are you a stockholder in the American Agricultural Chemical Co.?

Mr. HEPBURN. Yes, sir.

Chairman WALSH. To what extent?

Mr. HEPBURN. One hundred shares.

Chairman WALSH. What is the value?

Mr. HEPBURN. Ten thousand dollars par value.

Chairman WALSH. Do you control any other shares in it?

Mr. HEPBURN. No.

Chairman WALSH. What information do you, either as director or as stockholder, possess concerning the labor conditions in the American Agricultural Chemical Co.?

Mr. HEPBURN. None, except we have the information that is reported.

Chairman WALSH. Is the report in writing?

Mr. HEPBURN. Why, the reports are made in writing at the general meeting—especially the annual meeting—at the dividend meetings—they have four meetings a year.

Chairman WALSH. Do you receive any reports from the corporations which give you any information regarding labor conditions?

Mr. HEPBURN. I don't think so. The executive committee may have, but I—

Chairman WALSH. You never saw any?

Mr. HEPBURN. No; I have never seen any.

Chairman WALSH. Have you ever visited the plants to ascertain?

Mr. HEPBURN. No.

Chairman WALSH. In your opinion, to what extent are directors and stockholders responsible for labor conditions in their plants?

Mr. HEPBURN. I think they are decidedly responsible—wholly responsible. I think the board, as a whole, is responsible for labor conditions and all other conditions.

Chairman WALSH. What scope of authority do you give your executives with reference to the establishment and maintenance of labor conditions?

Mr. HEPBURN. The executive committee is given—the salaries of the general officers of the company, I think, are fixed by the board, and all subordinates and all employees are employed by and their compensation fixed by the executive committee. And that is the only arrangement that bears upon that question as to the fixing of labor conditions—as to the compensation. What were the other parts of your question?

Chairman WALSH. Well, it was the scope of the authority that you give to the executive officials to make labor conditions?

Mr. HEPBURN. Oh, they have full authority—the same authority that the board, as a whole, possesses.

Chairman WALSH. Did I understand you to say that the directors of corporations are responsible for the labor conditions in them fully?

Mr. HEPBURN. Well, they are, to an extent. They are responsible for making labor conditions proper.

Chairman WALSH. Did you hear the testimony of this man who was on the witness stand—Mr. Wiater—this morning?

Mr. HEPBURN. I heard him, but I did not understand very much of it.

Chairman WALSH. I will try and interpret part of it. That he is a man of, we will assume it is true for the purpose of this question, of fine personal habits; he does not drink; he does not carouse in any way; he does not chew tobacco; and he smokes a pipe; he has five children and he gets \$1.60 a day, using the pick and shovel, and that he works 10 hours a day, not 9; that simply

paying for the actual food and wants that it costs him \$10 a month more—that is, not counting clothing—to live than he would have received if he worked every day. Do you think such a condition ought to be allowed to exist?

Mr. HEPBURN. It seems to me a very low compensation and the conditions as you describe them were most unsatisfactory.

Chairman WALSH. Were most unsatisfactory?

Mr. HEPBURN. Yes.

Chairman WALSH. And you feel a full responsibility for it as a director of the company?

Mr. HEPBURN. No; I do not. I feel I have discharged my duties in the selection of the officers and the selection of the committees and given them that authority and responsibility.

Chairman WALSH. Then, that is, do you tell them not to pay the men but \$1.60 a day, whether they could live on it or not?

Mr. HEPBURN. Tell them nothing.

Chairman WALSH. You mean when you fix the compensation of the men you appointed?

Mr. HEPBURN. When we select the officers and the committees we assign them this task of looking after all these plants all over the country, for the labor conditions are very different in different places. In Florida, where the phosphate beds are and where help is essentially colored, and in Massachusetts, where the help is of an entirely different character, there is no uniformity of conditions, and those have to be considered by the people locally in charge, under the supervision of the executive committee and the officers, who receive a salary and who are supposed to look after those things.

Chairman WALSH. Has a director, or has the board of directors as a whole, ever given these executives any instructions as to what labor conditions should be maintained?

Mr. HEPBURN. I do not think so.

Chairman WALSH. Would you feel that you did your full duty if a vast number of men worked in your industries and were not making living wages?

Mr. HEPBURN. On that subject I would not feel myself competent to instruct anybody. I have never been brought in contact with the employment of people in a large way. In different sections of the country; personally, I would not be competent. These other men are supposed to be. Most of the members of this board are practical manufacturers and marketers of fertilizer. That was their business.

Chairman WALSH. I know, but a man simply a marketer or a manufacturer of fertilizer, would he have any broad knowledge over you as to what a living wage was for a man?

Mr. HEPBURN. He ought to have in these different localities.

Chairman WALSH. Are you not on some of these foundations that undertake to ascertain what widows' pensions should be and what should be given for the support of the family and such matters as that to educate them?

Mr. HEPBURN. We have those general subjects under consideration; yes.

Chairman WALSH. And you are on the directorate of this foundation?

Mr. HEPBURN. Of that foundation; yes.

Chairman WALSH. As a matter of fact, are not labor conditions the only matters under the control of executive officials which are not subject to a close audit and check of some kind?

Mr. HEPBURN. Labor conditions?

Chairman WALSH. Yes; the conditions of the men that work in your factories, are they not the only—is not that the only thing that you do not check up?

Mr. HEPBURN. Labor is fundamental to the success of any enterprise, and as a matter of justice and also of intelligent selfishness it ought to be properly managed and properly paid and properly cared for in order that they might realize the best results.

Chairman WALSH. It weakens the State terribly, if they are not?

Mr. HEPBURN. Yes.

Chairman WALSH. There is an economic basis—you have learned this from your philanthropic activities, have you not—that there is an economic basis for all of the ills of mankind, disease, immorality, crime, and everything else that threatens the State, is there not?

Mr. HEPBURN. Yes.

Chairman WALSH. Going back to the question as I asked it, do you not as a director in this corporation or in the other industrial corporations that you



are connected with, require statements as follows: A balance sheet of profit and loss account showing in detail the disposition of all financial matters?

Mr. HEPBURN. Certainly.

Chairman WALSH. Cost production sheet showing comparative cost at different plants in different years?

Mr. HEPBURN. Now, that would involve the item of labor as well; yes.

Chairman WALSH. But you have one that shows the cost of production?

Mr. HEPBURN. Yes.

Chairman WALSH. Showing the comparative costs at different plants and in different years?

Mr. HEPBURN. Yes.

Chairman WALSH. And you require a periodical inspection of machinery in the plants, do you not?

Mr. HEPBURN. I do not know. I presume so. I am not a machinist.

Chairman WALSH. But you require periodical inspections of material, do you not?

Mr. HEPBURN. I do not know just what you mean by that.

Chairman WALSH. Well, all the material, for instance, that the company manufactures, the manufacturing material, the raw material, so that you are informed in a broad way just what material is on hand all of the time?

Mr. HEPBURN. They have chemists to do that, and make reports.

Chairman WALSH. But they have to make reports to you as directors; that is correct, is it not?

Mr. HEPBURN. They make reports to the executive committee. I do not think they have ever made report to the board in this corporation.

Chairman WALSH. May they not have made a report at some of these meetings when you retired and before the meeting was over?

Mr. HEPBURN. Yes; they may have.

Chairman WALSH. And they require in all these corporations periodical inspection or an inventory of all the physical assets and material assets, do they not?

Mr. HEPBURN. Yes; should.

Chairman WALSH. According to your own standards, what would you consider to be proper living conditions as regards the following points: The proper length of workday for labor with pick and shovel?

Mr. HEPBURN. Well, I do not know. I can not answer that question. It depends upon the kind of work, I should think. I am not a student on that subject.

Chairman WALSH. What should be a yearly income for an unskilled workman with a wife and three children?

Mr. HEPBURN. Well, would you differentiate between—

Chairman WALSH. Well, say in the State of New Jersey?

Mr. HEPBURN. Well, would you differentiate between a man with a wife and three children and any other man?

Chairman WALSH. I would.

Mr. HEPBURN. As to the wages paid, working alongside of each other?

Chairman WALSH. I am asking you. If I was hiring, do you mean—if I was running the plant I do not believe, if you ask me the question and you wished my answer, I do not believe I would. But I am asking—

Mr. HEPBURN. I wanted to know to understand your question. I did not mean to examine you. Pardon me.

Chairman WALSH. I was asking you now to get at, if possible—for the commission to get at your standpoint. What do you think should be the yearly income for unskilled workmen?

Mr. HEPBURN. Mr. Chairman, I would answer that question with great pleasure if I could, but I have never studied this question. I have not studied this subject, and I never was brought in contact with the employment of labor in a large way. These boards that I am on I have have been on simply because these corporations have to use their own credit—they have to extend credit—and a man who is a dealer in credit may be useful to them in that way. That marks the limitation of my duties in every one of the boards I am on—the service I can render in respect to credit and finance.

Chairman WALSH. But when you went on you expected to assume the responsibility that went with such membership, did you not?

Mr. HEPBURN. Oh, yes.

Chairman WALSH. And the public naturally would assume that that would be the case?

Mr. HEPBURN. Yes.

Chairman WALSH. Have you any information as to what should be the yearly income for unskilled workmen; for instance, a man and his wife?

Mr. HEPBURN. I have not. I haven't any knowledge upon which to base an opinion.

Chairman WALSH. What should be the compensation for an industrial accident involving, first, the loss of an arm?

Mr. HEPBURN. Oh, well, I can't answer that.

Chairman WALSH. And, second, the loss of both eyes?

Mr. HEPBURN. It ought to be ample.

Chairman WALSH. And, third, the loss of life—to the survivor? What compensation should be made to the survivor—the dependent?

Mr. HEPBURN. Those are matters of legislation in various States. They are matters that are fixed in the practices of different countries like Germany, for instance. I do not recall what their requirements are, but I am a great admirer of the German system in doing things. I should presume they had it about right. I can not help you any, if you need information on that subject.

Chairman WALSH. According to your own standards, what should be the age and conditions under which children should be employed in any industry?

Mr. HEPBURN. Well, the conditions ought to be favorable and the age ought to be sufficiently advanced so that the employment could not in any wise interfere with their proper growth and development.

Chairman WALSH. How many years would you say—what age?

Mr. HEPBURN. Well, I do not know. I do not know how to answer that, either. There are families in this town who depend more or less upon their children in selling papers on the street. I was for 15 years treasurer of the Children's Aid Society, and we had thirty-odd schools here. The school body was made up mainly of children who could not get into the public schools. The public schools lock the doors at 5 minutes before 9, and the children could not get there because they were employed in helping support the family; they helped make their living by selling papers and otherwise. That may be wrong. Those children ought to be in the public schools, but if they were deprived of such work if would still further deprive their families of support. It is a question that will be extremely difficult to regulate by a general postulate, and I think that every case or class would have to be judged by itself.

Chairman WALSH. If you were convinced that labor conditions in any of the corporations in which you are interested were such that the workmen were unable to support their families without putting their wives and younger children to work, what action as a director would you take?

Mr. HEPBURN. Well, I would try to improve the condition.

Chairman WALSH. Just restate. What would you do as a director?

Mr. HEPBURN. What would I do as a director?

Chairman WALSH. Yes.

Mr. HEPBURN. I should call upon the committee, the people in charge of the matter, for a report of conditions first.

Chairman WALSH. Yes.

Mr. HEPBURN. I think you better do that in this case and in this particular happening here.

Chairman WALSH. We are proceeding—we will fumble along in our own way about this; but if you will kindly—

Mr. HEPBURN. I mean by that, that you will get some people here who can give positive explicit answers, which I can not.

Chairman WALSH. I would like, if you will permit me, not to state what the present intention of the committee is—not that we have anything to withhold that we do not want to give out, but because they have announced publicly that until after the State authorities get through with the criminal investigation that is being made nothing will be done. So in the meantime, if you will just say what you would do as a director—I am not confining it to this corporation, because I see you are on a number of them—but if you were convinced that labor conditions in any of the corporations were such that the workmen were unable to support their families without putting their wives and younger children to work, what would you do? I believe you said first you would call upon the executive officials to ascertain what truth there was in the charges. What next?

Mr. HEPBURN. Ascertain the facts, ascertain the possible remedies, and if we could not continue the business without such conditions, I think it would be better to abandon the business.



Chairman WALSH. Were you ever present at a meeting of the directors, of any of the corporations of which you are a director, at which labor policies to be pursued by the corporation, either during strikes or during normal times, were discussed?

Mr. HEPBURN. No; I do not remember of any strike in any of the corporations that I was ever connected with that I can recall now, except this one. I do not believe the subject ever was discussed.

Chairman WALSH. You are a director in that plant or were in 1912?

Mr. HEPBURN. What plant?

Chairman WALSH. The American Agricultural Chemical Co., of Chrome, N. J.?

Mr. HEPBURN. Yes.

Chairman WALSH. Did you know there was a strike there in 1912 in which one man was killed and two were seriously wounded?

Mr. HEPBURN. No.

Chairman WALSH. You did not read that in the newspapers?

Mr. HEPBURN. At what time did it occur?

Chairman WALSH. At what time?

Mr. HEPBURN. No; I did not know it.

Chairman WALSH. To refresh your memory, in the month of June, 1912.

Mr. HEPBURN. I do not think I was in this country then. I was just about returning from Africa at that time.

Chairman WALSH. How long had you been in Africa?

Mr. HEPBURN. Four months.

Chairman WALSH. Before you went to Africa in 1912—

Mr. HEPBURN. I was abroad four months I mean.

Chairman WALSH. Abroad in 1912. Did you know the working hours in the fertilizer plant of the American Agricultural Chemical Co., in Chrome, N. J., were 12 hours?

Mr. HEPBURN. No; I did not know.

Chairman WALSH. Did you know that prior to June, 1912, that the work day in the plant at Chrome, the fertilizer plant of your company at Chrome, N. J., was 12 hours, and the wages \$1.80 for 12 hours, and that the men went on a strike and out of that strike they shortened hours, reduced the hours to 10 hours per day, and raised their wages to \$2 per day, and that during the strike there was one man killed and two wounded?

Mr. HEPBURN. I did not.

Chairman WALSH. And did you ever hear that was true, that this man was killed and these others wounded by the fire of special deputy sheriffs or guards of your company?

Mr. HEPBURN. No.

Chairman WALSH. In which corporations in which you are interested, Mr. Hepburn, are the employees organized into labor unions?

Mr. HEPBURN. I couldn't say.

Chairman WALSH. Have you observed the effect of such organization upon the men and the owners of the industries?

Mr. HEPBURN. I have never had any opportunity.

Chairman WALSH. Have you ever studied the question which seems to be discussed a great deal, and the gentlemen have expressed their views, as Mr. Kirchwey this morning did?

Mr. HEPBURN. Yes; I heard the close of his testimony. No; I never have. Of course, I have read upon the subject, but I have not formulated any theories. There are so many men who are students of those things, men of ability and character and force studying it, that I much prefer to take their views. I haven't any views on the subject to present.

Chairman WALSH. What is your attitude toward the organization of employees for their own protection and the advancement of their own interests?

Mr. HEPBURN. Perfectly proper.

Chairman WALSH. Upon what information or experience is this attitude based that it is perfectly proper for them to organize?

Mr. HEPBURN. Common justice.

Chairman WALSH. Common justice. What is your attitude toward permitting union organizers who are not employed by your corporation to address employees and others, and to carry on their work without interference?

Mr. HEPBURN. Well, under what circumstances? While they were at work?

Chairman WALSH. Outside of the plants when their hours of labor are over?

Mr. HEPBURN. There is certainly no objection to doing it at a proper time.

under proper circumstances. I can conceive that it might be done at improper times. I believe in free speech, and free action so far as it may be had.

Chairman WALSH. As a result of your observation and experience, Mr. Hepburn, do you believe that industrial discontent in America is increasing or decreasing?

Mr. HEPBURN. I think it is increasing—has been for the last 15 years, say.

Chairman WALSH. Why do you think this is so, Mr. Hepburn? Why is it so in your opinion?

Mr. HEPBURN. You mean what has produced it?

Chairman WALSH. Yes; what has produced it?

Mr. HEPBURN. Well, there is the extension of liberty of action, and the development of individuality and the sense of individuality which has taken place in politics and in business the world over; and people have come to assert themselves. The doctrine of hereditary government, which everybody accepted a few years ago, is being discounted and done away with in almost all nations, and we have gone back to the foundations, and I think the increased wages, the increased wealth—I use that dangerous term wealth—the increased means of subsistence, of living and enjoyment which people have attained; the farmers, for instance, with their enormous crops, and other branches of industry. They have come to have more and to want more, and the increased efficiency of machinery, which provides so many things so cheaply and brings them within the range of ordinary workmen—things which were luxuries to people of ordinary wealth or affluence 25 years ago. The fact that so many of these things are attainable, and the natural desire to have more which is born of the proper ambition of everyone, have begotten a spirit of restlessness—that is, I don't quite like the word "restlessness," but a spirit of self-assertion, a spirit of ambition, a spirit of acquisition, whatever it may be, which makes each individual and each class of individuals desirous of participating in a greater degree in the good things of the world, if I may be understood by that expression. I think that fairly covers what I have to say.

Chairman WALSH. What would be your opinion or what is your opinion regarding the social desirability of heavily endowed foundations with self-perpetuating boards of trustees as a method of dealing with social ills?

Mr. HEPBURN. My judgment is that it would be very effective and very helpful as an element in the general make-up of the affairs and influence of the Government and people.

Chairman WALSH. When did you become a member of the governing board of the Rockefeller Foundation?

Mr. HEPBURN. Well, May or June of last year.

Chairman WALSH. 1914?

Mr. HEPBURN. Yes.

Chairman WALSH. Who was it invited you to become a member?

Mr. HEPBURN. The letter was addressed to me by the president of the board, in behalf of the board.

Chairman WALSH. Who was that?

Mr. HEPBURN. John D. Rockefeller, jr.

Chairman WALSH. Now, what considerations, Mr. Hepburn, led you to accept the invitation?

Mr. HEPBURN. A belief that the funds with which the foundation was endowed could be productive of very great and lasting benefit to mankind, and a desire to contribute what I could by participating in the labors which were incident to the administration of the fund.

Chairman WALSH. Had you read the charter of the foundation before you became a member?

Mr. HEPBURN. It was incorporated in the letter.

Chairman WALSH. And were the constitution and by-laws likewise submitted to you?

Mr. HEPBURN. I don't think so—not at that time.

Chairman WALSH. The law creating the body was incorporated in the letter?

Mr. HEPBURN. Was quoted.

Chairman WALSH. Was quoted in the letter?

Mr. HEPBURN. Yes.

Chairman WALSH. Please state briefly the purpose of the Rockefeller Foundation.

Mr. HEPBURN. I think that was very well stated by Mr. Greene; much better than I could state it.

Chairman WALSH. Well, to be perfectly frank, the commission desires to gather your own conception of it. You are a trustee and charged with adminis-



tering a very large amount of funds per year and taking care of the capital, and we would like to get your conception of it. What is the purpose of the Rockefeller Foundation?

Mr. HEPBURN. The purpose was to be of benefit to mankind along the lines which individuals could not pursue because of the expense involved, and which the Government would not pursue because it seemed to be against governmental policy. I refer to the amount expended in medical research and in the studying of disease, and various other matters which our Government has not undertaken and which I believe to be very essential to the welfare of mankind. And then the educational question—the question of education in its higher sense, and especially along lines of research, differentiating somewhat from what the General Education Board would do or contribute to. And then any other question that might come up. They have sent \$1,000,000 for the relief of the Belgians over there who have suffered in this war; and they would have equal right to use the funds for anything else that made for the benefit of mankind. In the case of any enormous calamity, which I regard this war to be, and consequent suffering on the part of people entirely innocent of any part in bringing about the suffering, and various other matters that we may conceive of now, and those which the changing conditions of the future may present and which we can not foresee now. I think it is extremely important to have a large fund of that kind under the control of good men who can meet the varying conditions of life as they present themselves with our advancing civilization, and contribute to the welfare of mankind as may seem best and wisest under the circumstances of each age, each era, or each year.

Chairman WALSH. Up until a very short time ago I believe the offices or headquarters of the Rockefeller Foundation have been at 26 Broadway, New York City?

Mr. HEPBURN. Yes.

Chairman WALSH. How many meetings have you attended since May, 1914?

Mr. HEPBURN. Well, let me see—four, I think.

Chairman WALSH. How long were you there each time?

Mr. HEPBURN. The meetings generally begin at 10 o'clock and last all day. They are very hard-working meetings, I assure you of that.

Chairman WALSH. Remain there all day meeting together?

Mr. HEPBURN. Except to go out to lunch.

Chairman WALSH. Except when you go out to lunch?

Mr. HEPBURN. Yes.

Chairman WALSH. Now, between times, between these four meetings at which you have been there, how do you keep in touch with the board's work?

Mr. HEPBURN. Only by consultation and conference at times and perhaps not at all. The executive committee is in charge, and their reports are made to the general board, and they proceed under the general directions of the board.

Chairman WALSH. As a matter of fact, the executive committee, between the meetings, conduct the operations and report to you at the meetings?

Mr. HEPBURN. That is right.

Chairman WALSH. And any conversation you would have might be a casual one—to meet somebody or something of that kind?

Mr. HEPBURN. Yes; and I might be specially consulted.

Chairman WALSH. And you have been at four meetings?

Mr. HEPBURN. I have been at all the meetings since I have been a member.

Chairman WALSH. When did you first hear the executive committee had made an arrangement with Mr. Mackenzie King to conduct an investigation into industrial relations of the country?

Mr. HEPBURN. The question of making an arrangement with him was brought forward for discussion in the board before it was made, and canvassed pro and con, and information sought in regard to Mr. King by different people—different members of the board.

Chairman WALSH. That meeting was on August 13, I believe?

Mr. HEPBURN. I can not tell you the date.

Chairman WALSH. What is that?

Mr. HEPBURN. I presume so; I can not tell you the date.

Chairman WALSH. Did you know prior to that meeting that Mr. Mackenzie King had held a meeting with Mr. J. F. Welborn, the president of the Colorado Fuel & Iron Co., and Mr. John D. Rockefeller, jr., Mr. Jerome D. Greene, and Mr. John D. Rockefeller, sr., at Tarrytown?

Mr. HEPBURN. No.

Chairman WALSH. Did you know at that time that Mr. Mackenzie King had made any study of the conditions or given any advice with respect to the troubles existing in the mines of the Colorado Fuel & Iron Co. in Colorado?

Mr. HEPBURN. I did not.

Chairman WALSH. Was anything said about it in the meeting of the board of directors at the time the question of employing Mr. King was up for discussion?

Mr. HEPBURN. I don't think the Colorado strike was ever mentioned at any meeting of the board at which I have been present.

Chairman WALSH. May you not be mistaken about that, Mr. Hepburn. I see the meeting that my attention has been called to was a meeting of the executive committee on August 13. Were you on the executive committee?

Mr. HEPBURN. No.

Chairman WALSH. Isn't it a fact that no meeting of this board was held between May 27 and November 5—no; October. Isn't it a fact that you were not present at any meeting of this board between May 27, 1914, and October 21, 1914?

Mr. HEPBURN. Quite likely. There was a long interval there.

Chairman WALSH. Do you say, Mr. Hepburn, that Mr. Mackenzie King was under discussion as early as May 27, 1914?

Mr. HEPBURN. I would not undertake to fix any dates of the meetings. I haven't them in mind. But the question of employing Mr. Mackenzie King was under discussion, and the matter was canvassed pro and con, and information as to his past work, so far as known, was disclosed—at that time he had not been employed; no arrangement had been made. What I mean to say is that this discussion was preliminary to the arrangement made with him, and might have been in May or might have been—

Chairman WALSH. Was the arrangement made at a board meeting?

Mr. HEPBURN. Oh, no; it was made by—

Chairman WALSH (interrupting). Sir?

Mr. HEPBURN. No. It was made by the executive committee—or made by the officers under the general approval of the board. Everybody seemed to think he was the most desirable man to secure.

Chairman WALSH. Who finally hired Mr. Mackenzie King? Who finally employed him?

Mr. HEPBURN. That I could not answer. I do not know who made the arrangement with him.

Chairman WALSH. You do not know who made the arrangement with him?

Mr. HEPBURN. No.

Chairman WALSH. Or you do not know what instructions were given him?

Mr. HEPBURN. No.

Chairman WALSH. And you have never learned yet?

Mr. HEPBURN. No.

Chairman WALSH. And you simply know in a general way that he is to inquire into industrial relations?

Mr. HEPBURN. There were no directions given him—absolutely none. He was employed because of his success in dealing with labor problems in Canada, and because it was thought that if he made a survey of the labor situation he would present to the foundation a report which would be helpful in enabling them to determine what to do.

Chairman WALSH. Did you ever talk to him?

Mr. HEPBURN. Mackenzie King?

Chairman WALSH. Yes.

Mr. HEPBURN. I have, recently.

Chairman WALSH. Since this hearing has been on?

Mr. HEPBURN. Yes.

Chairman WALSH. About the subject of the hearing?

Mr. HEPBURN. No. Well, I won't say that. We sat together here. We have been paying a good deal of attention to you during the past three or four weeks. I have sat here with this group and we have passed casual remarks, I suppose, about what was going on.

Chairman WALSH. You met him here as an auditor in this hearing?

Mr. HEPBURN. I was introduced to him in your presence.

Chairman WALSH. I had forgotten that. Did you see the answers which the foundation submitted to this commission before they were sent to the commission?



Mr. HEPBURN. I did not.

Chairman WALSH. Did you see the publicity matter which appeared regarding the foundation during last autumn, as shown in the exhibits, and the answers to this commission before it was given to the press?

Mr. HEPBURN. I did not.

Chairman WALSH. What have you to do with the financing of the foundation?

Mr. HEPBURN. Nothing. Let me understand just what you mean by that.

Chairman WALSH. Well, I am going to ask you the questions specifically as they are printed here. Is your advice sought about the placing or selling or transferring of the securities of the foundation?

Mr. HEPBURN. It never has been. I don't think there have been any sold.

Chairman WALSH. What part of the total securities held by the foundation are the securities of the Colorado Fuel & Iron Co.?

Mr. HEPBURN. I could not answer.

Chairman WALSH. What part of the total securities held by the foundation are the securities of the American Agricultural Chemical Co.?

Mr. HEPBURN. I don't know that they form any part.

Chairman WALSH. What part of the securities are the securities of the Standard Oil or the subsidiary oil companies?

Mr. HEPBURN. There is quite an amount of them.

Chairman WALSH. Did you read in the public press the suggestion that some of the securities were the securities of the American Agricultural Chemical Co.?

Mr. HEPBURN. Well, I have had the list, and some may have been in there; but it was quite an extensive list, and I don't remember.

Chairman WALSH. Did you ever hear the suggestion before it was made in the question I have asked you that some of the securities in the Rockefeller Foundation were the securities of the American Agricultural Chemical Co., of Chrome, N. J.?

Mr. HEPBURN. No.

Chairman WALSH. Have any of the securities lost in book value since they were given to the foundation, do you know?

Mr. HEPBURN. No; I could not answer that. That would have to be answered by a comparison of market values with dates.

Chairman WALSH. Do you consider it important that you, as a trustee, should know that?

Mr. HEPBURN. No. We own the securities, and the fluctuations in the value are not at all material.

Chairman WALSH. Well, if you felt that the securities were decreasing or continuing to decrease—say, for instance, the pipe-line securities—would you recommend selling them?

Mr. HEPBURN. I think I should.

Chairman WALSH. Do you consider that the foundation is free to sell securities at any time?

Mr. HEPBURN. Perfectly so. They have that power.

Chairman WALSH. If securities were to be sold, how are they sold under your scheme of organization?

Mr. HEPBURN. If they were to be sold, they would follow the usual course of marketing securities, I presume; they are listed.

Chairman WALSH. Is there any policy on the part of the foundation as to the details of selling securities?

Mr. HEPBURN. They have never, so far as I know, contemplated selling securities; the question has not been discussed.

Chairman WALSH. The truth of the matter is—I will ask you if the truth of the matter is not that those securities, so far as their sale is concerned, are controlled by Mr. John D. Rockefeller, sr.?

Mr. HEPBURN. No, sir; I understand it is absolutely within the control of the trustees of the foundation.

Chairman WALSH. Have you not delegated that power to the finance committee under the by-laws—the trustees as a whole?

Mr. HEPBURN. To the finance committee?

Chairman WALSH. Yes.

Mr. HEPBURN. I can not answer.

Chairman WALSH. Have you ever read the by-laws?

Mr. HEPBURN. Yes.

Chairman WALSH. And the constitution?

Mr. HEPBURN. Yes.

Chairman WALSH. I will ask you if it is not a fact that the finance committee, consisting of Mr. Rockefeller's son; Mr. Starr J. Murphy, of Mr. Rockefeller's personal staff; and Mr. Jerome D. Greene, as the secretary, and formerly a member of Mr. Rockefeller's personal staff, may sell any part of the bonds or shares or notes or other forms of investment held by the foundation?

Mr. HEPBURN. You mean that the executive committee may?

Chairman WALSH. The finance committee.

Mr. HEPBURN. Very likely they have that power. It would be necessary to give them that power in the by-laws for this reason: If they were to sell them the sale would have to be accompanied by a certified copy of a resolution of authority, and that authority is commonly placed in the by-laws of various corporations, even though its use may not be at all contemplated at the time; but that is a usual precaution.

Chairman WALSH. This property is all exempt from taxation?

Mr. HEPBURN. I think so.

Chairman WALSH. Have you ever figured what the tax would be upon that property, the income tax, or any tax that might be assessed against it?

Mr. HEPBURN. I have not.

Chairman WALSH. Would it be approximately \$300,000?

Mr. HEPBURN. I could not say.

Chairman WALSH. If it was, would not the Government, the people, as represented by their Government, have a direct money interest to that extent in the foundation?

Mr. HEPBURN. They have a direct money interest now to an extent greater than whatever that might be because of what the foundation is doing for the public.

Chairman WALSH. I am just assuming for the sake of this question that that is what the tax would be, because I have not been able to have that figured as yet. Is it not a fact that if the Government was exempting taxation upon its property to the extent of \$300,000 a year that the public ought to have at least one direct representative in the board of trustees?

Mr. HEPBURN. I am not prepared to say that. The theory upon which all property of that character is exempt from taxation is that it is doing a public service, and the public good it might do would be impaired to the extent of the taxation.

Chairman WALSH. I will ask if you are familiar with this provision in the by-law of the Rockefeller Foundation [reading]:

"The finance committee shall have power to make investments and to change the same and may from time to time sell part of the bonds, shares, or notes or other forms of investment held by the corporation, or any rights or privileges that may accrue thereon. In making investments or changes of investments all of the members of this committee shall be consulted when that is reasonably practical, but the committee shall be deemed to be in continuous session, and may act without formal notice of meeting, and the joint action of any two members shall be valid and binding."

Did you know that was a provision of the by-laws?

Mr. HEPBURN. I have read them.

Chairman WALSH. Then the two members might be Mr. Greene and Mr. John D. Rockefeller, jr., or Mr. Murphy and Mr. John D. Rockefeller, jr. Now, is it probable that a personal employee of the founder would not be greatly influenced by any suggestion coming from his cotrustee, who was a son of the founder—coming down to the question of what perhaps would be the real power of disposition?

Mr. HEPBURN. So far as the members of that board are concerned, I do not think that any would be influenced against their better judgment.

Chairman WALSH. Might that be true if the membership were changed and men of less resolute characters substituted for those now on the board?

Mr. HEPBURN. I think that Mr. Rockefeller is the last man in the world that would seek to do anything that was not eminently in the interest of the purposes of the foundation.

Chairman WALSH. Mr. John D. Rockefeller, sr.?

Mr. HEPBURN. Mr. John D. Rockefeller, jr.

Chairman WALSH. Or Mr. John D. Rockefeller, sr.?

Mr. HEPBURN. I am speaking of Mr. John D. Rockefeller, jr.; I do not know Mr. John D. Rockefeller, sr., so well.

Chairman WALSH. When did you see Mr. John D. Rockefeller, sr., last?



Mr. HEPBURN. I have seen Mr. John D. Rockefeller, sr., but once, and that was 20 years ago—15 or 20 years ago.

Chairman WALSH. And so far as his purposes or conduct in connection with the foundation is concerned, you know it only through hearsay?

Mr. HEPBURN. Yes.

Chairman WALSH. Which of the banks with which you are concerned hold deposits from the foundation?

Mr. HEPBURN. None.

Chairman WALSH. In what banks do they carry cash?

Mr. HEPBURN. I do not know; I simply know they do not carry them in mine. I wish they did. They have moved into the same building that we occupy, and perhaps they will later.

Chairman WALSH. It would be considered a good account by bankers, would it?

Mr. HEPBURN. I think so; yes.

Chairman WALSH. Have you ever made an analysis of what you could do under this foundation, under the authority of this foundation?

Mr. HEPBURN. Only as we have considered the various propositions that have come before us, and a great many have been submitted. We considered what we might do as to those. You mean as to the range of possibility?

Chairman WALSH. Yes.

Mr. HEPBURN. No.

Chairman WALSH. You simply know your powers are very wide and your discretion as to what are the best interests of mankind—that they are broad and unlimited?

Mr. HEPBURN. Yes.

Chairman WALSH. And, of course, there might be a difference of opinion as to what was for the best interest of mankind?

Mr. HEPBURN. Conceivably, yes.

Chairman WALSH. Are you familiar with the safeguards, if they might be called such, in the act passed by the House of Representatives in January, 1913, which the secretary of the foundation said in a statement to the Senate that he cordially approved of?

Mr. HEPBURN. No, sir; I am not familiar with it at all.

Chairman WALSH. You have not read those?

Mr. HEPBURN. No, sir.

Chairman WALSH. Have you heard of that since this commission started this investigation?

Mr. HEPBURN. No, sir.

Chairman WALSH. Do you think there should be any provision limiting the accumulation upon this foundation?

Mr. HEPBURN. The accumulation of funds?

Chairman WALSH. Yes.

Mr. HEPBURN. I do not think so, Mr. Chairman; you can not have anything in this world better than men. There is no system or law or statute or purpose which at some time and some point does not depend for its proper execution on men, and you can not have anything better than men.

Chairman WALSH. Do you believe in the system of what we might call interlocking directorates in these charitable foundations—the same persons serving upon several of these boards?

Mr. HEPBURN. Why, yes; that seems to me indispensable. Many of the trustees give their services gratuitously, and with others their service is continuous and they receive salaries, and naturally their work is interlocking; that is, all in the same general purpose.

Chairman WALSH. Would you agree with President Eliot in his statement that perhaps there are not enough able and willing men to give their time to supply these foundations without overlapping some?

Mr. HEPBURN. Yes; and these men working along together I think work more effectively.

Chairman WALSH. What is the particular qualification would you say that should go to make up a trustee for a foundation of this kind, a wide social vision and knowledge of conditions in industry and in business, philanthropy, or what?

Mr. HEPBURN. All of those. They should be made up just as you make up a board of directors, of men possessing different qualifications, men whose judgment would be good in regard to one branch of work, and other men whose

judgment would be good in other branches, so that they would make up a harmonious and symmetrical whole.

Chairman WALSH. Assuming that for some reason the present trustees should be no longer upon the board, through death or resignation or some other cause, and if the next board of trustees desired to exercise undue influence upon editorial opinion, upon universities and colleges, upon labor leaders, upon legislatures and leaders of thought—are they in a position, by the placing or withholding of money, to exercise such influence?

Mr. HEPBURN. With the publicity going on in this world, I do not believe they would be. I think that any attempt of that kind would be soon discovered and they would be so thoroughly discredited that it would react. It is not probable, but, of course, all things are possible.

Chairman WALSH. Might such influence be exercised by executive officers, or executive committees without the fact being known to the trustees or to the public?

Mr. HEPBURN. That is not at all probable. All things are possible, but I do not think that is a probable danger. It does not seem to me it is.

Chairman WALSH. Commissioner Garretson has a question or two to ask you.

Commissioner GARRETSON. Mr. Hepburn, in answer to a question I understood you to say that you considered foundations of this character very helpful as a means of settling social ills. Do you regard the regulation or the settling of social ills as a governmental function or not?

Mr. HEPBURN. Yes; it is a governmental function. But as good citizens we should help the Government in every way we can.

Commissioner GARRETSON. That is an obligation that lies upon every citizen whether he be native born or a person who has acquired naturalization.

Mr. HEPBURN. Yes.

Commissioner GARRETSON. If it is good, proper, and helpful for the Government to delegate one of its functions to a private agency, why should it not contract out its other functions to private agencies, as, for instance, France has farmed out taxation under the Crown.

Mr. HEPBURN. Taxation has been farmed out in a number of countries and it worked badly. The Government does farm out its functions. It has a governmental duty to provide highways and transportation and it farms that out.

Commissioner GARRETSON. Who has it farmed it out to?

Mr. HEPBURN. To the railroads.

Commissioner GARRETSON. Highways?

Mr. HEPBURN. Yes; railroad highways.

Mr. GARRETSON. You mean in that sense?

Mr. HEPBURN. Yes.

Commissioner GARRETSON. And is there not a strong tendency to resume that function at the present time?

Mr. HEPBURN. I think there is.

Commissioner GARRETSON. Has not the farming out of that branch to private agencies brought conviction that the governmental agency should be performed by a private agency?

Mr. HEPBURN. I did not get the gist of your question.

Commissioner GARRETSON. Has not the farming out of that branch—transportation, distribution—brought convincing evidence that the function is properly performable by a private agency in all directions?

Mr. HEPBURN. It has not been properly performed in all respects by private agencies. Everybody knows that. But many believe, and I am one, that it is better performed in this way, under supervision, than it would be if the Government were to take them over.

Commissioner GARRETSON. Would you go so far as to hold that the Government should delegate the educational powers to a private agency entirely—that is, the “entirely” applies to educational agencies.

Mr. HEPBURN. No, sir; I certainly would not. You mean the public schools—the educational system?

Commissioner GARRETSON. Yes.

Mr. HEPBURN. I certainly would not.

Commissioner GARRETSON. As well as the higher system?

Mr. HEPBURN. Well, the distinction is this: It is the duty of the Government to educate its citizens or to provide them with the facilities for education up to a certain point, and they do that in the public schools. But the



progress of every country calls for higher education, and the Government does very little for higher education in this country, and colleges prosper mainly by reason of endowments contributed by men of very large means.

Commissioner GARRETSON. Which has set the pace in the last 20 years in the higher education, the State universities or private institutions?

Mr. HEPBURN. That is a debatable question.

Commissioner GARRETSON. The fact that it is debatable will make it perfectly evident that the State-controlled institutions have at least made it neck and neck.

Mr. HEPBURN. Perhaps so; we have some very excellent State-controlled institutions, I concede you.

Commissioner GARRETSON. What was the former capital of the American Chemical Association? It has more name than that.

Mr. HEPBURN. I can not tell you.

Commissioner GARRETSON. You stated it was undercapitalized when you were invited into the board.

Mr. HEPBURN. I meant this, that there is no industry that has grown so rapidly as the manufacture of fertilizer. Scientific and intensive farming has gotten to be almost a fad and the demand for their product was such that they needed more capital in their business—that is what I meant.

Commissioner GARRETSON. When you were invited into the board to aid in that phase of it, didn't you know the amount of what the then capitalization was as contrasted with what it is now?

Mr. HEPBURN. They had about \$18,000,000 of preferred stock and about \$18,000,000 of common stock.

Commissioner GARRETSON. Yes.

Mr. HEPBURN. And they authorized an issue of \$12,000,000 of bonds.

Commissioner GARRETSON. You are not classing that as capitalization—the bonds?

Mr. HEPBURN. Oh, yes.

Commissioner GARRETSON. Working capital?

Mr. HEPBURN. Yes.

Commissioner GARRETSON. Go ahead.

Mr. HEPBURN. And a part of those were sold; I don't remember whether it was eight or ten millions that was sold to Lee Higginson & Co., and Clark, Dodge & Co.; and very soon they needed more capital and about two or two and one-half years ago they sold ten millions of preferred stock to Lee Higginson & Co., and that made the preferred stock about twenty-seven millions or twenty-eight millions, and the common stock about ten millions less. They had some serial notes at the time these bonds were authorized—some debentures or serial notes running for periods of years, so I think the bond issue—those serial notes or debentures—amount to about sixteen millions and about twenty-seven millions of preferred stock and ten millions less of common.

Commissioner GARRETSON. This bond sale was really a refunding of floating notes to a large degree?

Mr. HEPBURN. Yes.

Commissioner GARRETSON. Was all of the preferred stock sold at par value or better?

Mr. HEPBURN. The last ten million was sold at exactly par, and it was a very good sale, too; it is 90 now.

Commissioner GARRETSON. How about the first sale?

Mr. HEPBURN. I do not know about the first sale. Do you mean at the time that the company was organized?

Commissioner GARRETSON. No; if there were two sales. You mentioned the last sale.

Mr. HEPBURN. There was only one sale of stock that I know about.

Commissioner GARRETSON. How about the common stock; what price did it sell at? Was there an addition to the common stock?

Mr. HEPBURN. No.

Commissioner GARRETSON. What interest does the preferred stock bear?

Mr. HEPBURN. Six per cent.

Mr. GARRETSON. It is paid before the common stock or anything?

Mr. HEPBURN. Yes.

Commissioner GARRETSON. No addition after a certain rate?

Mr. HEPBURN. No.

Commissioner GARRETSON. Nothing cumulative about it?

Mr. HEPBURN. No.

Commissioner GARRETSON. Has that interest always been paid on the preferred stock?

Mr. HEPBURN. Yes.

Commissioner GARRETSON. In advance of the common?

Mr. HEPBURN. Yes.

Commissioner GARRETSON. What is the rate on the common?

Mr. HEPBURN. Four per cent.

Commissioner GARRETSON. No failure of payment?

Mr. HEPBURN. It has been paid for about two years only. About two years ago they began to pay a quarterly dividend of 1 per cent on the common, and they have maintained it.

Commissioner GARRETSON. How much of the surplus has the company accumulated during the period?

Mr. HEPBURN. Surplus?

Mr. GARRETSON. Yes; undivided profits?

Mr. HEPBURN. I should think it would be five or six or seven millions.

Commissioner GARRETSON. Had there been any addition to that surplus in 1912 or 1913 or 1914?

Mr. HEPBURN. Yes, sir; I think so; each year in a very modest amount.

Commissioner GARRETSON. In the conversation which you held over the phone with Mr. Gifford—Vice President Gifford—and a director he made it plain to you, as I gather from your testimony, what was just a confirmation of the preceding witness's statement, that the cut in wages was because there were plenty of men available?

Mr. HEPBURN. I did not know there had been a cut of wages until it was disclosed here.

Commissioner GARRETSON. Then I will phrase it differently. The refusal to return to the old standard of wages, \$2 a day, you say that he simply said they were paying \$1.60?

Mr. HEPBURN. That they wanted \$2.

Commissioner GARRETSON. And could get plenty of men?

Mr. HEPBURN. Yes.

Commissioner GARRETSON. Therefore that the real thing was not the inability of the company to pay, because there was not sufficient margin between the cost of production and the selling price to justify a return to the old rate, but because the necessities of men let the company have the ability to get them regardless of the justness of the wage?

Mr. HEPBURN. He did not put it that way.

Commissioner GARRETSON. Oh! I have no doubt he did not. But that was the real information furnished you, that on account of the great supply of men who were applying for positions—

Mr. HEPBURN. Yes.

Commissioner GARRETSON (continuing). That the company could operate at a \$1.60 rate, whether it was just or not?

Mr. HEPBURN. He expressed—

Commissioner GARRETSON. And that did not enter in there?

Mr. HEPBURN. There was no discussion of it at all.

Commissioner GARRETSON. That is what I mean; it did not enter into the discussion?

Mr. HEPBURN. No; not at all.

Commissioner GARRETSON. It was testified here. Mr. Hepburn, that you were added to the number of trustees of the Rockefeller Foundation on account of wide experience and knowledge that you possess, that it was felt that you would add strength to that board. On the basis of your knowledge and experience, actual contact and experience with the questions here of industrial life, have you the actual experience?

Mr. HEPBURN. I have never been brought in contact—I have never been a large employer of labor, except perhaps indirectly, as a member in these different boards.

Commissioner GARRETSON. Well, if you get as much information about the substratum of the corporation as you have on the chemical board, for instance, is that an available experience as to how the submerged half live?

Mr. HEPBURN. I will concede I am not qualified without any further discussion if you choose.

Commissioner GARRETSON. Well, now, the question here is with a board of trustees constituted as that one is, and how is a board of trustees to administer a great foundation like this equipped to determine what will promote the well-being of mankind the world over?



Mr. HEPBURN. By their investigations and by their employing men of expert ability. That is one thing we hope to reach by the employment of Mackenzie King and others. If you have got any good men, we will be very glad to see them. It is by a matter of investigation on the part of people that are more competent than I, at least; I won't speak for the rest of the board.

Commissioner GARRETSON. The question I want to get at, if you have to have recourse to practical, upright—of course, I assume that is one of your qualifications for a man in that position that you put those investigators in, whose services you expect to avail yourself of—if such practical, upright men are available, why not put men of that kind in partial control of the foundation?

Mr. HEPBURN. Well, it is not necessary to put them in control of the foundations in order to have the advantage of their judgment and experience.

Commissioner GARRETSON. No; but it takes one link out of a roundabout road, does it not?

Mr. HEPBURN. I can not see any objection to a good, competent, practical man being a member of the foundation.

Commissioner GARRETSON. That was one of the phases that appealed to me; why go around when you might just as well go through?

Mr. HEPBURN. This—pardon me, I do not want to interrupt you, but most men serve without pay.

Commissioner GARRETSON. That was all.

Mr. HEPBURN. But it is quite a labor, the administration of this foundation.

Commissioner GARRETSON. I should judge.

Mr. HEPBURN. And it is difficult to get the right kind of men, and you have got to have them available at one point in order to be able to do business; you could not distribute a board all over the country. It would be in the same condition that the American Agricultural Chemical Co. is; we have our plants all over the country which I have not visited and can not.

Commissioner GARRETSON. You spoke of the question of the obligation of the delegation of power, and you made a rather broad statement in regard to the responsibility of directors in general. Then you spoke of the delegation of certain powers to the executive committee. I am referring to the chemical company now.

Mr. HEPBURN. Yes.

Commissioner GARRETSON. Are you a believer that moral responsibility can be delegated?

Mr. HEPBURN. No. But I—moral responsibility—no. But men that are doing things in a large way have to act through people whom they employ. I sign a report of the condition of my bank, which goes to Washington, five times a year, based upon confidence in the figures of the bookkeeper who gives me those statements. I do not keep the books.

Commissioner GARRETSON. But who is held responsible for it, though?

Mr. HEPBURN. I am. I have performed a duty by employing men whom I feel confident are honest and competent.

Commissioner GARRETSON. That is it. You can not delegate responsibility there, although you have delegated the duty.

Mr. HEPBURN. I have performed a duty by employing men who I feel confident are honest and competent.

Commissioner GARRETSON. But the responsibility is yours?

Mr. HEPBURN. Yes; that is right.

Commissioner GARRETSON. Both legally and morally?

Mr. HEPBURN. I agree to that.

Commissioner GARRETSON. Then, if the man to whom you have delegated the responsibility for performing a duty along the line that you have yourself stated to be correct, that is justice, common justice, if they fail to perform that duty, the moral responsibility for their failure does rest greatly upon the directors by whom the power was delegated?

Mr. HEPBURN. Yes.

Commissioner GARRETSON. Good; that is all.

Chairman WALSH. That is all. Thank you very much.

Morris Hillquit.

#### TESTIMONY OF MR. MORRIS HILLQUIT.

Chairman WALSH. What is your name?

Mr. HILLQUIT. Morris Hillquit.

Chairman WALSH. Where do you reside?

Mr. HILLQUIT. 246 West One hundred and thirty-ninth Street, city of New York.

Chairman WALSH. What is your profession?

Mr. HILLQUIT. Lawyer.

Chairman WALSH. Are you a student of social conditions?

Mr. HILLQUIT. To some extent.

Chairman WALSH. As a student of social conditions and as a lawyer, have you formed any opinions with regard to the social desirability of large foundations such as the Sage Foundation, the Carnegie Foundation, and the Rockefeller Foundation?

Mr. HILLQUIT. I have, Mr. Chairman.

Chairman WALSH. You have been called upon by this commission to state them. Will you kindly state your conclusions in your own way?

Mr. HILLQUIT. With pleasure. I think, Mr. Chairman, the large foundations such as you mention, like the Rockefeller Foundation, or the Russell Sage Foundation, or the Carnegie Corporation, represent a very significant phase in modern development, and probably one that has not as yet been fully appreciated by the people of the United States. I believe it is a highly significant development. I should say in brief that they represent in the domain of philanthropy just what trusts represent in the industrial field.

To make my comparison somewhat clearer: Industrial development has proceeded from individual ownership and operation to corporate management, and then finally the corporate management has extended more and more to the formation of trusts, and I think we can observe a similar development in the line of philanthropy—that is, our philanthropic efforts begin with the individual almsgiving. Now, that continues until about the 70s of the last century. Then, and practically synchronous with the formation of corporate organizations, begins the formation of charity organization societies—that is, organizations formed for the purpose of systematic business and introducing scientific methods, methods of sifting every application for relief and a general desire to rather repair the needy, to repair their industrial fitness, than to help present needs.

And, finally, just about as the trusts make their first appearance and after they have developed to some extent, this giant philanthropy of modern days, the foundations, make their first appearance.

Historically, I think Mr. Andrew Carnegie was the pioneer in this line of modern foundations. His first institute in Pittsburgh was followed by the Carnegie Institute in Washington; the latter had an endowment fund and still has of about \$22,000,000 and is engaged in almost every conceivable branch of scientific research and sociological investigation.

Then, the next few years witnessed the birth of the Carnegie Institute for Advancement of Teaching, with an endowment of about \$15,000,000. That is to provide pensions for college professors, and then a hero fund with an endowment of \$30,000,000 to reward deeds of courage and bravery.

Then comes the Carnegie Peace Fund, with an endowment of \$10,000,000, to promote peace and amity among nations.

Then the library fund of about \$17,000,000 to enable cities and towns to erect library buildings.

Finally the Carnegie Corporation of New York was organized with a capital of \$125,000,000. That is a sort of holding company for all of Mr. Carnegie's benefactions. It is specified in the certificate of incorporation, or rather the act of incorporation of the Carnegie Corporation, that it is to continue the existing Carnegie benefactions along various lines.

Closely on the heels of Mr. Andrew Carnegie followed Mr. Rockefeller, first, endowing on a munificent scale the Chicago University, then following this up with the Rockefeller Institute for Medical Research, both of which were merged in 1903 in the General Foundation Board, which represents expenditures and capital amounting to about \$73,000,000.

Finally, a little more than a year ago, the Rockefeller Foundation was organized in New York with a capital of \$100,000,000; I believe, as I shall endeavor to show later, that this is the perfect type of what we may call philanthropic trusts, a prototype which will either be followed generally hereafter or the development of which will be curbed within a short time.

The Russell Sage Foundation is a somewhat similar, and again a somewhat dissimilar enterprise. It is organized purely for sociological research, and it has a capital of \$10,000,000. It differs from the others in that it is not created by a person actively engaged in business, but is created by the widow of Mr.



Russell Sage, who has no active business interests in connection with that institution.

The movement of philanthropic consolidation, we may call it, bears a very close analogy to the movement of industrial consolidation. And this is a point worth noticing, that just as the first two American trusts were the Oil Trust and the Steel Trust, so the two great first American Foundations are the Rockefeller Foundation so closely allied with oil, and the Carnegie Corporation, so firmly founded on steel.

And it is not merely this one parallelism or resemblance. There is a more substantial parallel between the two developments. In the first place, these foundations are the creations of great capitalistic interests, and the expenditures which the capitalists gain, the methods which they have evolved in their business they transfer ready-made to the benefactions and find pretty ready application in them.

Now, furthermore, I maintain that the general trend of industrial development necessarily reflects itself upon the philanthropy of a given time. For instance, it is not an accident that the early philanthropies are represented by individual almsgiving. That is, they are mostly cases where the individual benefactor knows the individual person to be relieved and directly gives whatever aid or succor he can. And later on in the form of charity organization societies aid assumes a more general and better organized and less personal character, and finally in the foundation it there assumes a purely impersonal character. One of the reasons for it seems to me to be the following: Generally in the middle of the last century poverty was not general because unemployment is not; unemployment is a passing condition and poverty as a result of it may be expected to be permanently relieved by securing employment for the needy workers. Then as our industries assume more and more the corporate form, accompanied by large industrial consolidations, as the factory system arises and improved machinery is introduced, followed by division of labor, and as the productivity of labor grows, the labor time remains the same, the labor population increases, unemployment becomes more and more a permanent institution. It is no more sufficient to help the unemployed, the poor worker, over a certain short period. It is necessary to maintain and organize permanent machinery for his relief. Hence the charity organization society.

But then finally we reach a stage where unemployment attains the dignity of a permanent social institution where it can not be relieved by methods of philanthropy in any way. For instance, at the present it is estimated that here at this time, the number of unemployed workers is between three and four millions. In normal times it is figured that at least six million workers are unemployed at least part of the time; and in best times a million and a half to two million are unemployed at one time.

Now, that combined with low wages which the workers receive during the period of employment naturally creates a condition of general and extended poverty and misery, so that the estimates of the number of poor in this country vary according to different standards from two to three millions up to ten millions.

It seems to me it is perfectly apparent that under such conditions even tremendous amounts of money available for philanthropic purposes can not shelter, feed, and clothe all of the needy workers of this country. And therefore philanthropy has abandoned the task altogether.

It is a noteworthy characteristic of these modern foundations that they are not and do not pretend to be charitable institutions. They do not attempt to relieve distress of men by way of old-fashioned charities. Taking as an example Mr. Carnegie's benefactions; they are said to amount to about \$300,000,000 or more. Of all of these various funds which go to make up this huge amount only one item may possibly be regarded as aiming to relieve the distress of workers; that is an item of \$4,000,000 representing a fund for the relief of injured workers, or of the dependents of workers killed in Pittsburgh, in connection with the works of the United States Steel Corporation. This endowment of \$4,000,000 is part of a larger sum of \$12,000,000 maintained by the Steel Corporation for the purpose of establishing a general pension fund for its employees. And it is not always easy to say whether an endowment of this kind may be considered in the nature of charitable relief, or rather in the nature of a business investment. But even if it should be considered in the nature of charitable relief, it is \$4,000,000, and is the only item on the entire list of Mr. Carnegie's benefactions.

The next item which overshadows it somewhat is the item of \$5,000,000 for church organs; then \$30,000,000 for the hero fund. All the rest, or most of the rest, is for educational purposes, or for social-welfare work.

Now, if you take Mr. Rockefeller's benefactions you will find that only very recently, and under certain pressure of public opinion, it has devoted \$45,000, that is less than 1 per cent of its annual income, to what is commonly termed charity. That is donated to three institutions in the city of New York and in the borough of Brooklyn engaged in charitable work.

One million dollars, or thereabouts, was expended for the relief of the Belgian war sufferers, and that was done under very extraordinary circumstances, and I understand has been discontinued now.

The Russell Sage Foundation has never undertaken to spend any of its funds on charitable relief at all. It devotes its entire resources and income to the investigations of social conditions and the publication of its results.

So that we find that as far as actual charity in the relief of needy fellow men is concerned the modern foundations have departed from the established old-fashioned charity systems.

Then it seems to me there is another feature in which the foundations differ very radically from the old-fashioned charitable societies. The old proverb was, "Charity begins at home." These foundations, it seems to me, often get away with their philanthropies as far as possible from home; at least where they attempt philanthropic work. I mentioned before that the only substantial item of charitable relief expended by the Rockefeller Foundation went to Belgium, and I want to say here it was a good deed. I have no criticism to make of it. I should be the last person in the world to criticize the act, from a narrow nationalistic or pseudo-patriotic point of view. On the contrary, I rejoice always in the growth of the spirit of international brotherhood of men. But I can not help noticing this fact, that, while these ships were being loaded with wheat and corn and other food supplies for the relief of the Belgian war sufferers, there were probably, here in the city of New York and within less than 1 mile from 26 Broadway, tens of thousands of American workers who were suffering for lack of food just as much, perhaps even more, than these Belgian war sufferers. Our bread lines extended, especially during the cold December and January nights, from day to day, and there were in these lines hundreds of men who had given useful service to society in this community, who had given the better part of their lives to useful work, perhaps some of them, perhaps many of them, engaged in some of the divers industries in which Mr. Rockefeller is interested, perhaps having helped to augment his fortune and to enable him to create his foundation. And I say it is rather one-sided not to think of these men right around here.

Now take the other activities—for instance, one which the Rockefeller Foundation has so far undertaken and which does smack of philanthropy, the International Health Commission. This, it appears from the testimony before you, has directed its main work to the eradication of the hookworm in the British West Indies, in Central America, in Egypt, in Ceylon, and in the Malay States, and in the Philippines, and also to the promotion of medical knowledge and public health in China. And, again, I say, in common with all broad-minded American citizens, that I have no criticism to make of this form of relief. I should rather see any Malayan free from the hookworm than suffering from the hookworm, but here there are in this country unnumbered workmen and workingwomen dying annually from tuberculosis. It is a disease that is preventable and curable by proper sanitary conditions, wholesome food, fresh air, and some period of rest, all of which can be procured with, comparatively speaking, small investment of funds. Thousands of these victims of the white plague could be saved right here in the United States by judicious application of money.

In the same way I must think of the 500,000 or more of American workmen annually killed, injured, seriously maimed, in the mines, mills, factories, and on the railroads of this country; in other words, just by the corporations in which the funds of the foundations have been largely invested and from which its founder has very largely derived his fortune. Now, the greater part of these accidents are likewise preventable by the application of proper safeguards, by the establishment of proper rules. And it seems to me that a foundation as powerful as the Rockefeller Foundation, or as powerful as the Carnegie Corporation, and having the connections and influence with the industrial world that the founders of these foundations have, could very well decrease the number of these fatalities to a very large extent; and I repeat, it



seems to me out of proportion somewhat to devote these tremendous funds accumulated after all by the work of American workers exclusively, as was the case here, to the eradication of the hookworm disease in foreign countries, while entirely neglecting the suffering at home.

Chairman WALSH. This is a convenient moment, and we will adjourn and you may resume in the morning, please.

We will stand adjourned until 10 o'clock in the morning.

(Thereupon, at 4.30 o'clock p. m., Thursday, February 4, 1915, an adjournment was taken until 10 o'clock in the morning of Friday, February 5, 1915, at the same place.)

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NEW YORK CITY, February 5, 1915—10 a. m.

Present: Chairman Walsh, Commissioners O'Connell, Lennon, Ballard, Weinstein, Garretson, and Commons.

Chairman WALSH. Mr. Hillquit.

The house will please be in perfect order and we will proceed.

Mr. Hillquit, please continue where you left off.

Mr. HILLQUIT. At the conclusion of my testimony yesterday, Mr. Chairman, Mr. Greene, of the Rockefeller Foundation, called my attention to the fact that the work of curing or eradicating the hookworm disease has not been confined by the Rockefeller benefaction to foreign countries alone, but that about 500 cases also had been treated in this country. I cheerfully make this correction. I understand also that the work of hookworm eradication in this country was undertaken long before the Rockefeller Foundation came into existence.

Commissioner LENNON. Was it 500 or 500,000?

Mr. HILLQUIT. Five hundred was my impression.

Commissioner LENNON. All right.

Mr. HILLQUIT. Now I do not know whether the Rockefeller Foundation or the International Health Commission are continuing this work in this country. From the published statements of the foundation it would not appear that they do. At any rate the point is of no importance. I have no fault to find with a work, a good work, being done in foreign countries. All I meant to bring out by this point was the decidedly international character of some of the modern philanthropic work, particularly that represented by the large foundations.

I might call attention to the fact that even in the work of social research—that is, investigating social conditions in the United States—the Rockefeller Foundation has engaged a resident of a foreign country, and I might perhaps add also that even in the treatment of birds a certain partiality is shown to the traveling variety, to the migratory birds in preference to the domestic American birds.

In Mr. Carnegie's benefactions we find likewise a large tendency toward international work. For instance, the foreign hero fund, which represents an endowment of more than \$5,000,000, and the Peace Palace in the Hague, which I understand is now pretty well deserted, and the various philanthropies in Scotland.

Now, what I claim is that this is not an accident, but that there is a certain well-defined method and a certain purpose, unconscious perhaps, in this international character of capitalistic benefactions.

To my mind these philanthropies are very closely akin to the foreign missionary work done among the heathens of uncultured and undeveloped countries and the basis of both is business; they are both business enterprises.

The American industries to-day have reached an international stage, particularly the large and trustified industries. They find an insufficient market in this country and are bound to create foreign markets. They can not increase those markets in the advanced countries where the conditions are similar to ours, and they must bring in undeveloped territory where the conditions are backward, and for that purpose they are under the necessity of having the population in those countries use the articles of our manufacture, and the population of those undeveloped countries must also in turn render some equivalent to us in the way of some useful work or the production of some useful commodities.

Hence our modern capitalists, the capitalists engaged in international worldwide business, send missionaries to the foreign countries to emancipate the heathen, to get him to the ways of our civilization, including the wearing of civilized clothes, preferably of American manufacture, and also to increase

the productivity, the economic efficiency, of those very same heathen. And it seems to me these efforts, say, for instance, the eradication of the hookworm disease, are in that line.

In other words, we have reached this stage that the welfare of the American worker is no more as important to the American capitalist as is the well-being and economic efficiency of the worker or of the population in foreign undeveloped countries, for we can not sell more commodities to our own population, which is deprived of the means to purchase, so we must undertake to sell them or exchange them for other commodities in the foreign countries.

Now, that this was the actual object of these great foundations we learned from the testimony of Mr. Rockefeller, jr., right here before this commission. "It must be mentioned," he says in reply to one of the questions put to him in the questionnaire, "that the ravages of the hookworm disease have a most important effect upon the economic efficiency of the infected persons."

Here is the main point. It is not a question of improving the well-being of mankind generally. It is not a question of making better men, better women, more useful citizens of them. It is a question of improving their economic efficiency. Hence this particular work of eradicating the hookworm disease, to some extent here, and more largely in foreign countries.

What I maintain, Mr. Chairman and gentlemen, is that the foundations, such as the Rockefeller Foundation or the Carnegie Corporation are not philanthropies at all. It is a mistake to designate them as such. What they are actually is sort of supplements, appendices to the business enterprises of certain large capitalists. Just as we find that the large factories, for instance, maintain laboratories for scientific research with a view of improving their methods of work, just so these large business interests have now reached the point where they institute sort of sociological laboratories for researches and investigations, with the same object, and that is to help their business.

For instance, Mr. Rockefeller, again, testifying before this commission characterized the spirit of modern benevolence admirably when he said—and I want to call the attention of the commission to this part particularly—he said: "We have not drawn a sharp line between business and philanthropic enterprises."

Now this might have been a sort of unconscious admission, but it is pregnant with meaning, if you consider it properly—no sharp line drawn between business and philanthropic enterprises. One is considered a part of the day's work just as well as the other, and the details of Mr. Rockefeller's testimony before this commission bear out the statement fully. There it appears that the offices at No. 26 Broadway are the headquarters of Mr. Rockefeller's individual fortune and business enterprises, of the various corporations in which he takes a leading part, and of various benefactions in which he is interested. There Mr. John D. Rockefeller, jr., as representative of his father, meets with his personal staff of two or three men. Now they are constituted informally as individual capitalists and his advisers; now, as the controlling members of the board of directors of the industrial corporation; now, again, as the finance committee, or the executive committee, or a quorum of the executive committee, of a large so-called philanthropic foundation. They discuss matters relating to the one or the other as they come up. There is a logical smooth transition from the one to the other. They are all blended in one. And these three persons do not even take the time to change their mood or mode of approach from one of these pursuits to the other.

And we find that this character of modern foundations is fully expressed in all of their activities. In the few activities that may be considered in the nature of philanthropic work, we find them engaged principally in two lines—educational and social welfare.

Under the first, the educational, we may take the foundation of Mr. Rockefeller, including the Chicago University, and also a great many of Mr. Carnegie's benefactions. Under the head of social reform work, or social welfare work, we must class such institutions as the Russell Sage Foundation, the Carnegie Peace Endowment and Hero Funds, and finally the Rockefeller Foundation, which has recently announced its intention to institute a thorough-going research into social conditions.

As to the social effects of these foundations and this activity, this may be said of them:

That they have all the advantages and all the disadvantages of large modern trusts. They have the advantages of concentrated capital and of great means. They have the disadvantages of individual, irresponsible man-



agement. And this is to be noted in connection with educational work primarily. It is limited entirely to so-called higher education, and so does not extend any part of its activity to the common schools or primary education. Why? Because the actual object of this educational work is not philanthropic; is not to in any way elevate the general intellectual condition of the people, or of the working people; but it is to train a sufficient and efficient corps of workers, of helpers, of assistants, in the great industrial establishments. And that is why the educational work is limited very largely to universities and colleges.

Now if our universities and colleges had been merely institutions for abstract learning, such, say, as natural sciences or mathematics, there might have been no social danger in that. But the fact is that in modern times our institutions of learning are forced more and more to take up and to occupy themselves with the vital social affairs of the country. In other words, such sciences as economics or politics or sociology come to the fore all the time, and these are not exact sciences; these are not sciences which anyone, no matter what his personal views may be, may take up and render impartial, efficient services. In all of these sciences the views of the men who teach them are of importance, and they can not be impartial. They are live problems, they are live topics; they are based on social struggles, on conflicting interests, and no matter how unbiased a man may be he must have certain views on the subject. What I claim is that when a teacher of these subjects feels that he owes his entire existence to an endowment of a private individual, or of certain interests, industrial interests, he can not be unbiased in his teaching. He may want to be, but if he feels all along that his own salary, the salary of the college president, the entire existence of the college or university depends upon certain endowments coming from certain well-defined economic interests, if he should ever impartially arrive at conclusions hostile to these interests, it will require more than the ordinary courage to announce such conclusions. Generally he will feel under restraint, and it is not necessary at all that such endowments be given with any conditions attached to them. There may be no condition of any kind. And there is, first of all, in the normal human being the sense of gratitude and recognition, which is hampering in this case. And furthermore there is always this additional consideration, that the institution that once has had to apply to a foundation of this kind may have to do so again. That in order to do so it may keep or must keep in good and proper standing toward the endowers, toward the men or the interests which have furnished the means for the existence of the institution.

Mr. Rockefeller has admitted here that there is a possible danger with reference to the influence of such endowments on higher education. I quote his words, and he added, "If the giver retains any kind of control I think it is unwise," but, as I mentioned before, the giver always retains at least moral control.

Now, President Eliot, as I undersand it, has testified before this commission that he knows of a number of cases in which colleges have been influenced by such gifts, or, rather, by the foundation or institutions which have endowed them, but the influence, in his opinion, has been wholly for good. For whose good? Has it been for good in the view of the giver or in the view of the recipient? What is good and what is not good is always a debatable question and depends on the views of one person or another. Now, whether it has been good or not is a debatable question; but the fact that it has influenced, admittedly influenced, the administration and teachings of such colleges shows in itself a very unhealthy condition.

After all, the education of our studying youths, the education of the young men who will have our destinies in their hands in the future, is one of the most sacred functions of Government, and when these functions are allowed to be exercised for good or otherwise, by such agencies and interests, then I claim the future of this country is in danger.

Perhaps a more subtle influence is exercised by another method of so-called philanthropies, as applied to colleges, and that is Mr. Carnegie's pension system. The average college professor is a very much underpaid man; as a rule he can not lay aside, he can not save up anything toward a rainy day; he always must have in mind the approaching period of his life when he will be unable to continue his academic work; he must think of old age; he must think of his family. The Government does not come to his relief; the college does not come to his relief because it has no funds for that purpose. Mr. Carnegie here plays the rôle of kind Providence, and the man, knowing that his future

and that of his children, perhaps, depend upon these benefactions, can not, even if he would want to, be entirely unhampered and entirely free in his judgment.

I may mention here an instance of actual fact, which will throw some light on the subject. Mr. Carnegie, it is well known, is, among other things, interested in the peace movement. His peace fund recently decided to publish a very interesting work on the attitude of the labor movement toward militarism and the Army. This was to be a work of international scope and it was intrusted to a very well-known German scholar, a man of progressive ideas. This editor assigned the portion of the work dealing with conditions in America to another scholar, a scholar who was a social investigator in the United States. Now, considering the attitude of the working class toward militarism and toward the Army, he had to take into account the rôle the militia played in labor disputes. The work would not have been complete or unbiased otherwise, and it so happens that this is a very interesting, very important, part for American labor, and it also happens that one of the most striking instances of the interference of the militia in labor disputes occurred in Homestead, in which Mr. Carnegie himself was very largely interested.

Now, here was the dilemma. The book was written with Mr. Carnegie's money, and in order to be true it had to contain an indictment of Mr. Carnegie's business methods. The man was conscientious, and wrote on the subject in a very mild way and matter-of-fact tone. But when it came to the editor in chief he looked it over and frowned and called on this author and went over the subject with him and said, "After all, how do you expect us to publish an indictment of Mr. Carnegie with Mr. Carnegie's money?" "Well, what can we do; we can not omit this chapter, it is very important"; and they discussed it for some time and made some compromise, and as far as I know the book has not been published yet. This is one of the influences which the donor, the generous giver, must have upon impartial scientific investigation.

Then if you take another branch of this activity, the libraries endowed by Mr. Carnegie, there are 2,300 of them in the United States, representing an investment of about \$17,000,000. Now, libraries, after all, are practically the only source, or the main source, of information for the adult workers or members of the community generally. What we get from the books, what we get from past investigations, from the best thought of our fellowmen, is contained in these libraries, and while it may be true that Mr. Carnegie does not make up the catalogues of those libraries, still we can hardly expect that a work which may be perfectly truthful and important, but which may oppose Mr. Carnegie's business interests in a very pronounced way, will find its place among such books. In other words, there is a certain restriction even to the intellectual food given to our population through these libraries.

And thus we find that the great corporations of this country, those that have sprung up within the last 10 or 20 years, have not only succeeded in robbing the people of this country of their economic independence but they are making an assault against the intellectual independence of the people of the United States, and I say that these foundations are the chief instruments of such assault.

But even very much more fatal than the influence on the educational work is the influence of such foundations on the work of social reform, on the social welfare work of the country, for after all, if this Nation has any one particular task which is more important than another it is the improvement of the condition of its people, the physical, moral, and intellectual strengthening and the independence of each and every member of the community, and this work should go on unhampered, uninfluenced, and unbiased. It should devolve on the people themselves, and not be left to any biased instrument, and the social foundations which have been formed recently do introduce that element of bias into such work.

Now, let us take this Rockefeller Foundation at present. It is supposed to make an unbiased inquiry into the relations of capital and labor. Let us assume the unbiased investigator who is engaged by Mr. Rockefeller, through his foundation, comes to the conclusion that one of the main evils of modern society is the enormous accumulation of wealth in the hands of individuals. Let us assume he comes to the conclusion that these large accumulations must result in a corresponding decrease in the earnings of the large masses of the people. Let us assume that he sees in Mr. Rockefeller a type of this unhealthy social development, and let us assume that his conclusions, and his bona fide conclusions, are in truth an absolute condemnation of Mr. Rockefeller's business methods and of Mr. Rockefeller's great and immense fortune. Would such an



investigator, paid from this very fortune—paid by Mr. Rockefeller—would he be likely to publish the results of his investigations if they are apt to strike directly against his patron? Of course not. He would have to compromise with truth as he sees it.

The Rockefeller Foundation, it seems to me, is one of the most typical instances of the great danger which lurks in the institutions or enterprises of this kind. We heard through this commission and from the mouth of Mr. Rockefeller the story of this foundation, and it appears that the elder Mr. Rockefeller—in the testimony of his son—had some such plan under consideration for several years. The disturbances in Colorado impressed Mr. Rockefeller, jr., with the great need and public importance of finding effective means of preventing such conflicts and caused him to urge a far-reaching study of industrial relations. Now, it would seem to the ordinary mortal that if Mr. Rockefeller's attention were called to the industrial ills by this particular situation in Colorado, in view of the fact that he was so strongly interested in it, in view of the fact that the Colorado conflict presented very definite and concrete issues to be solved, that the first thing he would do would be to investigate those particular grievances of the workers in Colorado in order to see whether or not they could be adjusted. But no. Mr. Rockefeller did not reason that way. He says that in view of the passion aroused in Colorado and the many divergent interests—the many divergent interests being practically the different interests between him and other stockholders and owners of the Colorado Fuel & Iron Co. and the 15,000 men—these different or many divergent interests involved here, “the foundation itself should not interfere in that situation, but that it was of the utmost consequence that the root cause of that and similar disturbances should be ascertained and, if possible, removed not only in Colorado, but elsewhere.”

And so Mr. John D. Rockefeller, as the employer of labor, had neither interest nor function, as he claims, to investigate the conditions in Colorado and to redress the grievances of the workers.

Mr. Rockefeller, jr., as a member and prime mover of the foundation, felt that he should not at all interfere with these disturbances which happened to be in the Colorado Fuel & Iron Co. in Colorado, but should go out and make a general search for the root causes. And that was all the easier, because in

Mr. Rockefeller's own estimation it would take several generations to discover that elusive root cause of all trouble.

His exact statement is that he does “not suppose that coming generations will solve that problem which the past generations have not succeeded in solving.” So that Mr. Rockefeller, as representative of the foundation, puts off for several generations the discovery of the root causes of industrial discontent.

The workers in Colorado in the meanwhile suffer to-day. They require some sort of relief to-day, relief from oppression, relief from underpay, relief from overwork, from all maltreatments of every kind. And Mr. Rockefeller answers: “Why, within a few generations we may come back to you with a discovery of the root causes of all social unrest and maladjustment not only in Colorado, but all through the world.”

Now, this puts the point definitely upon the objects of these foundations. It is not to grant relief. It is to switch the issue into a general abstract prolonged study with somewhat debatable uncertain conclusions. If Mr. Rockefeller actually had the welfare of mankind, the well being of mankind in mind, as the charter of his foundation calls for, why, it seems to me the easiest thing to do would have been to go over to Colorado and to see to it that his corporation enforced the laws of the State and improved somewhat the conditions of labor; to satisfy his workers who do produce large profits for him, and the root causes would take care of themselves.

And the peculiar point in connection with the embarking into social research by the Rockefeller Foundation is this: That it has come at the peculiar time and under circumstances calculated to throw some suspicion upon the motives of the founders. Bearing in mind that while Mr. Rockefeller, jr., was impressed with the necessity of the thorough research into social relations, and while he was in search for the root causes of it, a Commission on Industrial Relations was then in existence, created by authority of the Government of the United States and given ample powers to investigate, with the right to subpoena witnesses, with the right and powers which a private institution never can possess, and that that commission was actively engaged just at that time in such inquiry, in such investigation; that such investigation, among other things, also

extended to the trouble in the Colorado Fuel & Iron Co.; in other words, Mr. Rockefeller's concern. And that just at that time Mr. Rockefeller was not satisfied to wait for the conclusions of this commission for its results, for its report, which, perhaps, might throw some very interesting light on the root causes; that just at that time and just after his own company had been investigated by this commission, he announced to the world that now he would go on his own hook and reinvestigate the entire thing upon an entirely new basis and upon his individual initiative. To the unbiased mind it seems like an attempt to hurl the weight of his hundred millions of dollars against the modest allowance of the United States Government; to throw the power of his private wealth, his great accumulated wealth, against the collective powers of the people of the United States. And, to my mind, the announcement by the foundation of its intention to go into a field of research paralleling that of the commission appointed by the United States was a direct challenge to the Government of the United States and to the people of the United States.

Then, also, there is another interesting point in connection with this new research by the Rockefeller Foundation. Mr. Rockefeller, jr., does not propose to follow any definite lines of investigation. What he has done was to engage Mr. Mackenzie King and to leave the methods and work to him exclusively. He says, "We have proceeded in this same way, as we have in the case of the Rockefeller Institute for Medical Research. In one case we engaged Dr. Flexner and left it to him to work out the details; in the other case we engaged Mr. Mackenzie King and left it to him to work out the details."

But this comparison is only apparently and superficially true. It is not true in fact. When you undertake medical research the personal convictions and views and attitude of the man who undertakes that work plays very little part. It is a definite concrete science. The methods to be applied are technical methods worked out by scientific investigators. When you undertake social inquiry, on the other hand, you are not dealing with concrete matters of this kind. You are dealing here with social relations. You are dealing with struggles between different classes, different interests. You must have a view, and your views must lean toward one side or the other. There is no such thing as absolute scientific impartiality in cases of this kind. And the man selected for the purpose of handling that research work must have a definite view and a definite attitude for social problems. Unless he has, unless he had done some work before he would not be selected for the position. In other words, Mr. Rockefeller would not select a man who had not expressed himself before on the subject, one way or another. In order that he may have qualifications for the position he must have done some work in this line before.

Now, what was known of Mr. Mackenzie King to Mr. Rockefeller before this appointment—before he was intrusted with the task of discovering the root causes of all social evils? Two things: Mr. King had been minister of labor in Canada and as such he had fathered and gotten through and administered a law which penalized the workers and the labor organizations for going on strike before submitting their disputes to arbitration and mediation. In other words, a law which, in the opinion of the labor unions, tends to paralyze their aggressive activity and to wrench from them the only instrument they have for self-protection.

Now, imagine a similar law existing in Colorado, for instance. With the Government, from the governor to the sheriff, bailiff, and marshal in every camp, in the hands of the mining companies absolutely controlled by the Colorado Fuel & Iron Co.; imagine that in this particular strike notice would have to be given first to those representatives of the Government, so thoroughly influenced by the Colorado Fuel & Iron Co. What would be the result? Why, a very simple thing. Investigation would be dragged on for a few months, and in the meanwhile strike breakers supplied and the strike made absolutely impossible.

What else was known of Mr. King? There, it seems to me, was a very interesting chapter contained in the correspondence between Mr. King and Mr. Rockefeller, jr., particularly the letter of Mr. King addressed to Mr. Rockefeller read here. It appears that prior to his appointment Mr. King was consulted by Mr. Rockefeller about the concrete situation in Colorado, and it just so happened that Mr. Rockefeller, jr., trustee and president of the foundation, for a moment mixed up his part with that of Mr. John D. Rockefeller, jr., the director of the Colorado Fuel & Iron Co., and consulted Mr. King practically



in the latter capacity. Mr. King's answer is illuminating. He says, in substance: "Do not worry very much over this demand of the union for recognition. Better times are coming. This war will send thousands and tens of thousands of workers into the Colorado field to compete with your workers, who will oversupply the market and depress the wages to such an extent that the workers will be glad to get any kind of a job on any kind of terms and not talk about union recognition." Now, I am giving you the substance of it in my own words, and not in as polished and diplomatic language as Mr. King gave it to Mr. Rockefeller, but the substance is absolutely the same.

And a significant fact is his saying that under such circumstances the workers would not care for the "shadow of union recognition," but would have to concentrate all their efforts to maintaining standards, "thus creating a possible avenue of approach toward restoring normal conditions in Colorado." Normal conditions in Colorado, in the view of Mr. King, are conditions of an oversupply of labor, of fierce competition between workers for a job, and of a condition in which the workers will have to surrender to their employers upon any and all terms. Those are normal conditions.

These views of Mr. King are very definitely expressed, and they were known to Mr. Rockefeller, perfectly well known, before his engagement; and now, I will ask you, why does Mr. King need a full catalogue of references? Why does Mr. King need several generations of work to evolve a plan for reaching the root causes of the social evils? It seems to me he has already evolved it and his evolution or solution of these difficulties, as he sees it, has been the main reason for his appointment to this important position by the Rockefeller Foundation.

Another point of interest is this: In the advance information a little booklet issued by the Rockefeller Foundation, and also repeated, I believe, in the answers to the questions printed for this commission, the foundation states this:

"The Rockefeller Foundation is, moreover, a large owner of corporate securities, and in that capacity is itself directly concerned in maintaining harmonious relations between the companies in which it is interested and their employees."

Now, mark you, the Rockefeller Foundation, which is going out to make an impartial investigation of social conditions, and once and for all do away with social strife, is itself a large owner in some of the largest corporations whose securities it holds and is interested in the solution of social problems—interested, as frankly stated, as owner and as employer. And there is where the bias of this enterprise is clearly demonstrated. Again it is the blending of business and philanthropy. Again it is a biased investigation from the point of view of the owner. Assume the United States Government undertakes an investigation of social conditions. Assume that it would say that it is largely interested on the part of the employers. What would the people of this country say to an investigation of this kind, if any kind of a movement is inaugurated for the study of social discontent or social strife, or for the evolution of social remedies—what would the public say if such an investigation were made up wholly of employers or wholly of workers? Still Mr. Rockefeller believes that it is a point in favor of the foundation; that it is also a large employer and interested directly financially in the results of such investigation.

My answer, then, to the first question as to the social desirability of these foundations is briefly that I believe the influence is pernicious in every way; that it militates against democracy in every field of human endeavor, industrial, political, intellectual. I think particularly the Rockefeller Foundation, as far as it engages in social research work, is disingenuous, and is opposed to true social enlightenment and progress.

Now, then, I am asked, as a second question, if these are my conclusions, what remedy or what measure do I propose as against them. I will say, first, that the reason why these great foundations have been able to spring up and, no doubt will increase and multiply in the future if allowed an unchecked development, is, that the Government has unfortunately neglected the most legitimate fields of endeavor which it should occupy and fully fill.

Nothing is more peculiarly a field for governmental activity than social education and betterment. A true democracy, one depending upon self-reliance of its citizens—of the members of the community—must be more jealous of these governmental functions and of their proper exercise than of such prerogative, for instance, as the coining of money. I hold that all institutions for higher learning, just as well as our elementary schools, should be owned, managed, and conducted by the State or the National Government,

should not be dependent on individual benefactions, and should be conducted democratically and with a view to the development of the full and untrammelled academic freedom. I hold further that an institution like this commission—this Commission on Industrial Relations—or any commission similar to this, but with larger powers and larger appropriations should be made a permanent institution, and would be a very valuable adjunct to the Government of this country. A commission always at hand, always ready to go from place to place all through the country, and to take up the problems as they arise from time to time; a commission which would have the right, if possible, to make some immediate adjustments where it finds the law violated or moral principles trampled upon; a commission with power to recommend legislation and executive action whenever required; a commission of this kind in permanent session would certainly contribute a large deal toward the solution, if not of the main problems confronting the public to-day, then, at least, of such problems as spring up from day to day. I believe further that a commission of this kind, if in permanent existence, would avoid such outrages as may have occurred in Colorado or in New Jersey here, for instance, recently; that they would not occur at all; because the employers would be more careful. They would know that in case they exceeded the bounds of propriety and lawfulness and exceed them very flagrantly, the commission would be there immediately, and that the entire situation would be made public, every fact would be fully investigated and looked into; and, as I say, they would be more careful.

Now, this is another measure which I advocate. I should advise that the powers and the functions of the foundations should be strictly limited. Take for instance the Rockefeller Foundation, and I always refer to that because, to my mind, it is the most typical instance of these modern foundations. It is incorporated by special act of the legislature for the purpose of "receiving and maintaining a fund or funds and applying the income and principal thereof to the promotion of the well-being of mankind throughout the world," and it may use, according to its act of incorporation "such means to that end which from time to time as shall seem expedient to its members or trustees." It may "invest and reinvest the principal and deal with the principal and expend the income and principal of the corporation in such manner as in the judgment of the trustees will best promote the object."

Now, then, bearing in mind, first of all, that the objects of the corporation are absolutely unlimited, the words "well-being of mankind" in themselves mean nothing, but if read in conjunction with the other parts they mean, "well-being of mankind" such as in the judgment of the board of trustees they may consider to be such well-being, and it means that the foundation is practically given absolute unlimited and unrestricted functions and powers.

Now, it is a corporation without membership, it consists simply of trustees or directors without a constituency; there is no election by anybody. The members or trustees are designated by the charter, and the charter does not even specify the number of such directors. That is left to the by-laws, which may be changed from time to time. The by-laws may increase or decrease the number of such directors or trustees. There is nothing in this law, I hold, which would prevent the foundation from reducing the number of its members or trustees to three, Mr. Rockefeller, perhaps, Mr. Greene, and Mr. Lee; they may constitute the entire foundation. There is nothing in the act to prevent it. Now, then, they may use this vast fund of \$100,000,000 for any purpose. They may exercise this tremendous power for good or evil as they choose, but my point is that whether it should be for good or evil the public can not determine, the Government can not determine. The views of the men who constitute this corporation may alone determine what shall be for the well-being of mankind.

Let us assume that we are facing a national election; let us assume that we are facing an election of more than usual importance, and such an election is not at all impossible. Say, that in 1916, or perhaps 1920, the people of this country will face vital issues going to the very root of their existence and democratic institutions. It may be the question of the public ownership of railways and it may be the larger question of industrial democracy against industrial feudalism; it may be a question of the entire life and mode of existence of this country. It is possible that in an election of this kind the Rockefeller Foundation alone would be perfectly capable of swinging it one way or the other as it chose. It would not have to subsidize political parties, but by subsidizing a large portion of the American press, by buying in newspapers and flooding the



country with literature, it would be enabled to swing a national election; less than a hundred million dollars has been known to do that in the past, and at a crucial point the Rockefeller Foundation may step in and decide the fate of this country.

Now, furthermore, there is one point which I want to make as emphatic as I can, and that is I claim that the Rockefeller Foundation is in no sense a philanthropic or charitable enterprise at all, that it masquerades as such, and that it is time for the people of the United States to throw off that mask. Why? What is the Rockefeller Foundation? It is a slice of the Rockefeller fortune, a segment of it, \$100,000,000 of the same stocks and bonds of which the rest of his fortune consists, segregated and set apart and named the Rockefeller Foundation instead of John D. Rockefeller, jr.

Now, bear this in mind, that Mr. Rockefeller is supposed to own, according to popular opinion, something like \$1,000,000,000. For immediate personal purposes he does not need his billion dollars, as both he and his son are popularly supposed to be frugal and modest men, so that they could well get along with the income on one or two million dollars, which is but one-tenth or one-fifth of 1 per cent of the amount. The rest represents industrial power, political power, general power—the power to handle these funds and to invest and re-invest them in support of one movement or another; that is what constitutes the essence of these great swollen fortunes.

Now, Mr. Rockefeller does not part with this power in creating the Rockefeller Foundation, for all these hundreds of millions remain in bonds and stocks in which he can deal or can change, he can sell or replace, just in the same way as the stock and bonds remaining in the other compartments of his safe. And when the time should ever come that he would have to resort to this particular \$100,000,000 for personal purposes, for household expenses, for instance, why I hold that under its present act of incorporation there is nothing to prevent him from doing so.

I hold that this \$100,000,000 that Mr. Rockefeller does not need for actual purposes of consumption, and which he retains for general business purposes, that that may accumulate year after year, and I am speaking of the charter, or may increase year after year free from taxation, and when the time comes and the board of trustees has been reduced to John D. Rockefeller, jr., and his personal staff, they may be returned to Mr. Rockefeller and his heirs, in some indirect way, under some guise of being for the well-being of mankind.

I repeat that there is no membership in that corporation, there is no public control of the corporation, no Government control, and for this reason I believe this should be done: I would suggest that what is required at the present time while this foundation is in existence is a law amending its charter so as to restrict its functions in some particulars.

For instance, it should be subject to supervision by the State, as insurance companies or banking corporations or fraternal and benevolent societies. The State should have powers of visitation, should see to it that its income is properly expended, and principally that it be all expended annually and not allowed to accumulate. The foundation should have a certain minimum number of members fixed by law, members as distinguished from trustees, members who should elect the trustees and to whom the trustees should be accountable. It should file annual accounts of all of its doings, its income, expenses, and the application of its funds. And, above all, it should not be exempt from taxation.

The chairman raised the question yesterday while I happened to listen to Mr. Hepburn's testimony, I believe, whether it is not a fact that the taxes which this particular slice of Mr. Rockefeller's fortune saves would amount to about \$300,000. It would under the income-tax law. But I want to call your attention that it is not the question of the income alone, but also of the principal.

The Rockefeller Foundation is a New York corporation, a domestic corporation. Its property is personal property of a domestic corporation. Our present tax rate is about 2 per cent, a little less than that, say 1.90. Upon this basis I hold that this \$100,000,000 would be liable to a tax of well-nigh \$2,000,000 annually, a property tax as distinguished from the income tax. The income tax would be about \$300,000. But against which the tax on the personal property, the property tax would be offset. The total in taxes, I hold, on this fortune is over \$2,000,000 annually. And when the time comes when the present founder, the chief founder should pass away, it will save an inheritance tax of many, many millions again.

Now, what does that mean? That means the following: A tax, after all, is imposed for necessary governmental work and functions. It amounts to a certain sum, which is required for the maintenance of the government of the State of New York, the city of New York, and of the Federal Government. If the taxes fall below that amount, they have to be made up by the rest of the taxpayers. If \$2,000,000 are taken out of the taxable property of the State of New York, the people of the State of New York will have to make up these \$2,000,000, and every one of the citizens contributes something to it.

I hold that indirectly the Rockefeller Foundation receives from the people of the State of New York, through the Government, something like \$2,000,000 a year in which the people as such have absolutely no say of any kind. There is absolutely no good reason in the world why a private philanthropy should be exempt from taxation, because it allows the private endower to fix the nature of the so-called philanthropy, and it makes the public contribute to it, and contribute to it heavily. This is my answer to the second question. And the other questions I will go over more rapidly.

The next question which you have asked me was—

Chairman WALSH. Let us have perfect order, please, ladies and gentlemen. Mr. HILLQUIT. Has the growth of large corporations improved the physical conditions under which the workmen are employed?

My answer to that is that on the whole they have not. There has been some improvement in some industries. Large corporations are based on large plants, and large plants have better facilities for sanitary conditions, for instance, and some of them have actually introduced better sanitary conditions than prevailed under the reign of small industries. But I find as a general rule that work in large corporations, in large plants, is more intense, more consuming than in small plants under the reign of small corporations and small managements. The average industrial life of the worker has perceptibly decreased since the introduction or development of trusts.

The next question is, Have the large corporations increased wages as rapidly as the prices of commodities increased, or shortened working hours as rapidly as the development of the industry would warrant?

My answer to that is, that as a rule they have not. The best available figures show an increase of 25 per cent approximately of the cost of living, that is, the most necessary articles to be consumed by working people's families. In some trades, particularly those that have well-organized labor unions, wages might have risen in proportion; that is, say, 25 per cent more. But in a majority of the trades wages have remained stationary or they have fallen back, and similarly as to the hours of labor. The increased productivity of each of these large corporations with their improved machinery, their division of labor, their improved methods have served not to shorten the hours of labor, not to relieve the work of the laborer, but to throw a number of workers out of employment. We have to-day a standing army of unemployed larger than ever in the history of the past. That is caused by the fact that the hours of labor have not been shortened; that the workers have been allowed to work as long as in the past, and the increased productivity has simply created a surplus population.

We have to-day in the United States several million men able to work, capable physically, mentally, and in every other respect, and eager to work, but whom our industrial machinery has discarded, thrown out, and made permanently useless. An artificial surplus population has been created.

Another very interesting observation that may be made in connection with the testimony on that point given by Mr. John D. Rockefeller, jr., is the method of distributing wealth between employers and employees as exemplified by the Colorado Fuel & Iron Co. Now, here are the figures, as I gather, from Mr. Rockefeller's testimony. In the course of the 12 years during which he has been connected with Colorado Fuel & Iron Co., Mr. Rockefeller has received as profits in the shape of interest on bonds and dividends on stock, amounting to over \$9,200,000. Mr. Rockefeller's interest represented 40 per cent of the total, both in stocks and in bonds. Consequently if he receives \$9,200,000 and that represented 40 per cent, the other bondholders and stockholders must have received the remaining 60 per cent, one and one-half times as much as Mr. Rockefeller, and all of them together a total of \$23,000,000. The company has also accumulated a reserve fund, undivided profits as security fund for the payment of bonds, and dividends, and preferred stock, amounting to about \$5,800,000. The company property has appreciated—increased—in value during that period \$19,300,000 approximately.



Now, this increase in value, Mr. Rockefeller seemed to be unable to interpret properly. But we all know what it means. It means that the property represents an additional value, an additional investment, if you want, of \$19,000,000. These \$19,000,000 are profits, just as clear profit as those distributed. In fact the directors might have, or the stockholders might have distributed among themselves and then reinvested \$19,000,000 for the purposes of enhancing the future earnings of the company. They are investing new money in the same or other enterprises all the time anyhow. Thus we find the total profits of the stockholders and bondholders of the company during the 12 years of Mr. Rockefeller's connection with it, to amount something like \$48,000,000. During the same period of time the workers are said to have received \$92,000,000. When we say \$92,000,000, that means the pay roll. That includes no doubt management, salaries of officials, and the actual wages of the laborers, of the workers, must have been considerably less. Doubtless it amounted to no more than \$80,000,000. And thus you will find that the proportions of the division of the earnings between capital and labor was about 35 to 65, or perhaps 40 to 60.

Now, take another aspect of the case. Here was an investment of \$60,000,000. Mr. Rockefeller testified that the capital stock which represents a nominal value of something like \$34,000,000, I believe, actually stood at \$15,000,000 in cash. He had paid \$6,000,000 for 40 per cent, that is \$15,000,000 for the total. The bonds amounted to \$45,000,000, making a total of \$60,000,000 invested in that industry. As against this, there are 15,000 workmen. So what you have there, if you speak of the relation of capital and labor, is one worker on one side to \$4,000 represented by stocks and bonds, on the other side, to balance that—an investment of \$4,000 for every worker employed. This block of stocks and bonds representing \$4,000 receives 40 cents for every 60 cents paid to the worker. And if you want to equalize this share, you would have to put the worker on the one side and \$6,000 on the other side. If you have that, both of them draw from the industry an equal amount. That is, in the Colorado Fuel & Iron Co., which is concededly one of the least profitable investments of Mr. Rockefeller or any other capitalist. It is in its pioneer days. It has not developed its full earning powers, and it is safe to assume that in the normal average industries the share would be about 50 and 50, and it would require about \$5,000 in capital, stock, and bonds to equal and parallel the income of one workingman. And there you have it. Here you have pitted against each other the worker who gives his entire life, his energy, his work, his toil to the production of some useful commodity. And here you have, on the other side, the dead accumulation of \$5,000; each of them drawing equally upon the industry, the dead \$5,000 clips off one-half of the products of the worker.

And more than that. There is this distinction, that the worker draws his share only so long as he remains active in the industry, only so long as he can actually produce. When he becomes old and feeble he is discarded. When he dies of course he drops out. His industrial life may be 20 years or 25 years or 30 years, according to the industry. But the accumulated capital, the \$5,000 in stock and bonds remains eternal. It is an investment forever and ever, and it is matched not against an individual worker but against an entire generation of workers, one following the other, in eternity.

Upon this calculation, take Mr. Harry K. Thaw. If he is deemed worth a million dollars, he may not do a stroke of work and probably does not, but his worth is equal to that of 200 generations of workmen actively engaged in the industry, working day after day and year after year all through their lives.

If the figures of Mr. Rockefeller's worth are approximately correct, although Mr. John D. Rockefeller has withdrawn from industrial activity 15 or 20 years ago, his money to-day matches, neutralizes, and equalizes the life efforts of 200,000 workmen in the United States.

Now, that, it seems to me, appears clearly from the figures of Mr. Rockefeller himself, or from an analysis of them.

But I hold, of course, that the large corporations tend to perpetuate that absolutely abnormal, impossible condition.

Your next question is: Does the corporate type of organization tend to produce a higher grade of workmen or citizens?

My answer is, it does not. On the contrary, it has a degrading and demoralizing effect on American citizenship. You have before you, Mr. Chairman and gentlemen of the commission, two different types of employers

testifying, the "good" ones and the "bad" ones—the benevolent despot and the malevolent despot—and in both cases they have been despots; they have been demoralizing and degrading the workers.

Take the case of the employer who provides the playgrounds and baseball field and the pension funds and all sorts of welfare work, and even pays them voluntarily a decent wage. He means well. But the effect on the workers is nevertheless to take out from them the self-reliance, their economic independence. They are treated well in the same sense that a slave would be treated well by a kind-hearted master. But they remain abjectly dependent upon that master. They do not develop any self-reliance, and it is a very unhealthy and very unstable condition.

Take the case of Mr. Ford, who has justly been entitled to some share of the admiration of his fellow men. Now, he has certain high and broad ideas which he applies to his industry, and his workers are happy while it lasts—as happy as well-fed animals, and no more. Suppose Mr. Ford passes out of existence, and suppose the successors or purchaser of his stock have different ideas and introduce an entirely different régime, cut off all benefits of welfare work, and exploit the workers to the bottom. The workers have not been trained to resist it. On the other hand, if the same workers had the well-organized union, if the same workers had acquired these privileges by their own struggle, by their own organization, by their own power, they could maintain them, Mr. Ford or no Mr. Ford, whatever the inclination of the employer may be. Then the other type of employer is one who has the same powers, but does not have the same philanthropic inclinations. And, then, you have the characteristic régime of Colorado. You have the brutal oppression, which likewise tends to curb the American worker, his spirit of independence. I hold that only that nation will be great and powerful which will train its individual members to industrial, political, and intellectual independence and self-reliance, and that any nation which depends upon a group of men, powerful men, powerful in industry or otherwise, that that nation is bound to reach a state of retrogression, and that in a very short time.

Have the large corporations, you ask further, acted as bulwarks to prevent the growth of trades-unions?

I think they have. You have only to glance over the list of the unions affiliated with the American Federation of Labor, and you will find the strongest of those in industries in which industrial concentration has not so far progressed very far, or has been impossible. For instance, the mining industry is naturally and necessarily tied to certain spots in the United States where the mines are. It is scattered, and a physical concentration of the mines is impossible, such as the concentration shown in the steel works and similar industries. For this reason there are numbers of competing mining companies. The miners are the strongest union on the list of the American Federation of Labor. You take the carpenters, the building trades, the brewers, the clothing workers, the printers, the cigar makers, the bakers—all those are workers employed in, comparatively speaking, smaller industries, whereas you look in vain for the strong organization of steel workers and oil workers and of the workers engaged in any of the great industrial and consolidated trusts. So, I hold these trusts, these large concerns, did prevent and do prevent the development of labor organizations.

In the next questions I think I shall best group a few of them together and try to answer them together. The questions are: The extent to which potential control over labor conditions is concentrated in the hands of the financial directors of large corporations; the extent to which this potential control is exercised in connection with the labor methods; and, finally, responsibility of absentee landlords of industry for the conditions existing in corporations in which they are financially interested.

My answer to those, Mr. Chairman and gentlemen, is that we have had a very concrete illustration here before this board in the testimony particularly of Mr. John D. Rockefeller, jr., and in the testimony of several other witnesses themselves interested in large industrial enterprises. And we have found a very peculiar and a very recent development. When some people of radical notions object to the distribution of wealth between capital and labor, and to capital receiving a very large portion of the general earnings of the American people, the answer usually is and has been, "Well, but without capital there would be no labor. Capital is entitled to a large share because it organizes and manages the industry, and thus furnishes the opportunity



to the workers to earn a living." The profits of capital have been variously style wages or compensation of management or of direction.

Now, then, how well the present modern capitalist, particularly those of the highest type of development—I mean highest financially, the banking director—directs the industry has been shown in the case of the Colorado Fuel & Iron Co. particularly. Here is a community of 15,000 workers gathered in one part of the State of Colorado. They are all massed around certain coal mines and ore deposits in the State. They are engaged in the business of converting them into such shape as will make them articles of use and consumption to the world at large. With their families they probably represent a community of about 60,000 or 70,000 men, women, and children, all dependent upon this industry, this industry being particularly a natural one, one dependent upon the treasures embedded in the earth right there. And in their work and industry there springs up a civilization of its own. These men and women have their needs. They have their social requirements. They have their degree of civilization, such as it is; they develop camps, villages, towns, and other habitations. They have to have dwellings; they must have some recreation; they must have some food for their intellectual and moral lives as well as for their physical lives. And all this industry and all these people dependent upon it are managed and controlled by a corporation known as the Colorado Fuel & Iron Co. And Mr. John D. Rockefeller, jr., in behalf of his father, whom he represents, practically has the controlling interest in that corporation. He owns 40 per cent, he says, of its stock. He says he, as a stockholder, has nothing more than a large moral influence. We know better. We know that he practically has the actual control, because everyone more or less familiar with the affairs of this kind knows that the annual meeting of a large corporation is never attended by over 70 or 75 per cent of the stockholders. That would be a large per cent. Forty per cent concentrated in one hand has the absolute voting power. Mr. Rockefeller no doubt is fully chargeable legally and morally with the conduct of that community—that section of the American population, representing about 69,000 or 70,000 persons.

Now, then, what does Mr. Rockefeller know or do about this community? He comes before your commission with a very elaborate theory of corporate responsibility; he divides the corporation into four parts—the stockholders, the directors, the officers, and the employees. The functions of the stockholders are limited to the election of directors; they have nothing else to do, nothing to say about the management. They elect directors once a year and then do nothing until the next year. The function of the directors is limited to the election of executive officers and to the financial affairs of the corporation. The officials have the direct management of the industry, the direct control of it. The workers—well, the workers are there and that is about all they are, too.

Now, then, let us consider what does Mr. Rockefeller—and Mr. Rockefeller's case is used as an illustration because it is a typical case as has been described time and again on this stand and elsewhere—what does Mr. Rockefeller know or care about the actual industry in which he has a controlling share? It appears that he was last in Colorado about 10 years ago, and then made a very superficial examination of the plant of the Colorado Fuel & Iron Co. He does not know in what counties of the State the mines are located; he does not know where the principal office of the general manager of the corporation is located; he is absolutely ignorant of the working conditions in the mines; he does not know whether 12 hours' work in a rolling mill a day is too much or too little or just sufficient. He does not know whether 7 days a week of continuous work would be too much or too little or what effect it would have on the workers. He does not know whether the company owns the homes of the workers, whether it owns the saloons in the camps; he does not know whether it maintains a system of company stores; he does not know the first thing about the actual operations of the concern in which he has invested \$24,000,000, and which employs 60,000 or 70,000 men, in which he is a controlling factor. He is, however, interested in the financial part of the concern, that, of course, he has to be as a director, he states. But when it comes to summarizing his knowledge of the finances of the company, here is what appears. When the chairman of this commission asked him what the amount of the capital stock of the Colorado Fuel & Iron Co. was—and the amount of the capital stock of a corporation constitutes the financial side of it—Mr. Rockefeller did not know; when he was asked what the bonded indebtedness of the corporation was he likewise did not know. When he was asked whether the Colorado Fuel & Iron Co. held all of the stock of the Colorado Supply Co. he did not know. He did not know

what the Colorado Supply Co. practically represented, and when he was asked about the Colorado Industrial Co., whether that company was the holding company for the Colorado Fuel & Iron Co., he did not know. He did not know the capitalization of either of the corporations, and, most amazing of all, he did not know the amount of his own investments. He said he could ascertain what it was by looking into the books. The most comical part of it, if it were not so serious, was the fact that the chairman of this commission had to inform Mr. Rockefeller about his investments, about the revenue on his investments, about the capitalization of his company, about the real conditions of his company in its relation to the subsidiary companies, etc., and Mr. Rockefeller was only able to say, "If you say so, I suppose it is so."

Now, that is the extent to which Mr. Rockefeller contributes in knowledge, activity, usefulness, management, and direction of the Colorado Fuel & Iron Co.

Now, I do not hold that to be a crime. Ignorance is a pardonable offense; we all have the privilege of being ignorant on certain points, but the question nevertheless arises why, with that absolute detachment from business generally, with absolute ignorance of any fact connected with it, why should young Mr. Rockefeller be the owner and manager and director and controller of this industry? Why should the lives and welfare of 70,000 men and women and children depend, as they do, on one who takes so little interest in the matter? The answer is that Mr. Rockefeller has invested his capital in it. True, but that capital was secured by him as interest on bonds and as dividends on stock in other corporations of which he knows just as little as he does in regard to this corporation. And the \$9,200,000 which he drew from this corporation will be reinvested by him in some other industry and then he will have control of some other large section or some part of this country, and so on indefinitely and forever.

The incomes of the large industrial magnates grow without any activity on their part, and as they grow they become that much more of a perpetual mortgage upon the lives and welfare of the population generally.

The testimony of Mr. Rockefeller shows that the modern financial magnates, especially the banking variety, have passed out of any active rôle in modern industry; that they have been reduced to a purely parasitic existence.

The next question, and I have very few more, is, "Does the fact that many large corporations of thousands of stockholders, among whom are large numbers of employees, in any way affect the control or policy of large corporations?"

My answer is that they do not. The ordinary stockholder does not manage, does not control. If we take our very large corporations we will usually find that their control is vested in some one financial group, and that the thousands of scattered small stockholders do not act in conjunction or concert, or do not act at all. As a rule, they never appear at annual meetings and never vote. The employees who hold stock in corporations have, perhaps, very much less influence even than the individual stockholders. First, they never have a substantial part of the stock of any corporation, they always have a very insignificant holding, and that holding is given to them in order to make them more subservient to the corporation. Many workers have invested \$100 or \$200 or \$300 in stock of a company. When he invests his money in the corporation he becomes dependent upon that corporation. On the other hand, his little investment gives him absolutely no real control, direct or indirect, or even potential. In conjunction with this, this may be noted, that in modern times a stockholder has practically ceased to be part owner of an industry. Stockholding no more implies part ownership of a given industry, it is not any more a permanent investment, it is only a title to the profits or dividend or interest. The banking system which has stepped on to the heels of the corporate management and has taken over the corporate management has changed the character of stockholding. Now, the ordinary investor holds whatever stocks or bonds he has only as the stock market dictates. He may hold 100 shares of United States Steel or that amount of shares in some railroad or another—he may hold these shares on one day, and the next day he may change them for shares in mines or other industrial enterprises. He does not consider himself a permanent stockholder in the United States Steel Corporation or in the Pennsylvania Railroad Co. or any other corporation of which he holds bonds or stock, but he simply has possession of them in order that he may receive the dividends paid on them, and if there is any other security which he thinks preferable he exchanges them. Industrial management under the present corporate control has become so absolutely impersonal



that stocks and bonds, except in large blocks sufficient to give control, mean no connection with the industry at all.

Now, finally, the last question, "Does experience indicate that large corporations can be trusted to reform themselves?"

The answer is that they can not, because their material interests are opposed to any such reformation, administered by themselves.

"Are the workmen employed by large corporations in positions to work out their own salvation by trades-union organizations?"

The answer to that is, partly: Trade-unions may help them largely in their resisting any attempted or actual purpose on the part of the employer, but only to a certain extent. Take, for instance, the situation in Colorado in this strike of the Colorado Fuel & Iron Co. Assuming that the workers had been fully organized in that industry, and assuming that the strike had resulted in a complete tie-up. Then what happens? Strike breakers are imported from every adjoining county and, perhaps, from Eastern States. The strikers are harassed and molested, attacked, assaulted, and practically beaten into submission. They attempt to appeal to the constituted authorities and the sheriff is found to be in the pay of the mine company; they attempt to appeal higher, to the courts, and the judge happens to be a former or a prospective lawyer of the mining company. They appeal to the governor of the State, and the governor of the State has been largely elected by the funds of the company; and they are checkmated by such conditions at every move.

I say that industrial organizations alone, the trade-unions alone, will not secure to the workers absolute industrial independence and freedom. In order to have that, in order to have the full economic power to which they are entitled and need they must necessarily also possess political power. In other words, they must see to it that the sheriff elected in their county, the judge elected in their court, the governor elected in the State of Colorado, do not represent the interests of capital. They must organize politically as well as they must economically. They must elect their men to office just as well as they elect their representatives in their unions. So my answer is that trade-unions but solve the problem partly; they would solve it completely in conjunction with political labor organizations.

And the final question is:

"Is existing State and Federal legislation adequate and properly drawn to provide against abuses; if none of the existing agencies are competent to deal with the situation, what general form of organization would you recommend as best for State and Federal action?"

It is always difficult to prescribe one general panacea or one general form of taking care of abuses, but I should recommend, first of all, the unrestricted legal right of workers to organize. By this, I mean that the workers should have the right to do all that is required for the purpose of organizing a union. They should have the right to speak freely without intervention or interference of spies employed by their employers. Spying on employees should be made a punishable offense and prohibited by law. They should have the right to meet freely and the right to persuade workers to join the union.

Now, in regard to employers having the same right to employ whoever they please, the reasoning of the recent opinion of the Supreme Court was that a law discriminating in favor of unions was unconstitutional, because just as a worker has a right to work or not work for an employer, just so the employer should have the right to employ and refuse to employ a worker connected with a union. The analogy seems perfect from the point of view of abstract legal reasoning, but it is opposed to real reason. It is not in conformity with the actual situation or the actual facts. The fact of the matter is that there is no analogy between the situation of the employer and the situation of the employee in modern conditions. The employer has all the power, the employee has none; the employee needs protection, the employer needs curbing. If we want to bring out this distinction suppose we suggest to the honorable judges of the United States Supreme Court to try this experiment: Let them have an employer advertise to-day, "I want 100 men for my factory," and you will see thousands will appear clamoring for the job and will take it on any condition dictated by the employer. But let a working citizen of equal rights with the employer, a sovereign worker, insert an ad of this kind, "I am ready to take a job; any employer who may want a good efficient workman may call at my house to-morrow morning at 10 o'clock," and let them see how many employers will stand at his door clamoring for his services. There is no analogy between the two at all. The position of the employer is different

from that of the employee; the employee needs protection, and he can only have it by joint organization and action by a majority of the men in his trade. The decision is based upon a fundamental misconception of existing social relations and should be changed by proper constitutional amendment.

I strongly recommend a law prohibiting the State militia from interfering in labor disputes. It is not created for that purpose and should be kept out. Experience has shown whenever it interfered in labor disputes it has always been on the side of the employer, and for good reasons.

I should also advocate the prohibition of the right of employers to hire the so-called private guards. That has become an increasing abuse in industrial conflicts in the United States. Private guards, as a rule, are professional thugs and cutthroats, supplied by certain agencies existing for that purpose.

In every one of the industrial disputes which we have had the outrageous massacres of workers have been committed by such irresponsible criminals and ex-criminals who parade in the guise of private guards. I think a law should be framed prohibiting the interstate transportation of such thugs and the State laws prohibiting their use in the different States.

I believe that the use of the injunction and contempt proceedings in labor disputes should be discontinued; and I believe there is another great abuse going on now as applied to industrial conditions which has so far escaped public notice. I refer to what is known under our penal law as "disorderly conduct," designed for an entirely different purpose originally, and vesting in a petty magistrate absolutely discretionary powers to fine a defendant and sentence him to jail up to a period of six months, with practically no charges being made against him and no offense being committed, and there is no appeal or redress. The law in this State and in many other States, I understand, is that disorderly conduct is such as in the opinion of the magistrate may tend to a breach of the peace. It is in the discretion of the magistrate as to what may tend to a breach of the peace. Any conduct of any kind may, in the opinion of the magistrate, tend to a breach of the peace. The practical application has been that in the case of strikers in this city, for instance, hundreds of workers—men and women—have been haled before a magistrate, and many have been sent to the penitentiary for periods of six months for no greater offense than trying to persuade strike breakers to desist from working. And there is absolutely no appeal from it, the opinion of the magistrate being supreme. He is empowered to construe the law, as the acts which constitute disorderly conduct are not defined by the legislature, and the magistrate does very often apply it to striking workers. I propose a very careful definition of disorderly conduct, such definition as applies to any other statutory crime.

I think also what is cryingly needed at this time is a proper and thorough-going system of insurance of unemployed workers. Unemployment is becoming a more and more serious evil in modern industrial conditions. It is the corporate management—the large-scale production to-day that is largely responsible for it. The burden of maintaining such a system should, therefore, be properly placed upon these industries. They created it and they should relieve it.

And, also, I should advocate other measures, such as the trade-unions of this country have been working for, such, for instance, as a proper compensation act in every State, the establishment of a legal maximum working day and of minimum wage, and, finally, the public ownership, to begin with, of mines, the railroads, and gradually extending to all monopolies, trustified, large-scale industries.

If anything has been shown in this investigation from the testimony of Mr. Rockefeller particularly it has been this, that there is not an objection made against public or Government ownership of mines which can not be hurled back with tenfold more force against private management as now conducted. If a public official charged with the administration of a mining industry should exhibit as much ignorance and indifference to that industry as Mr. Rockefeller has shown, he would not hold his job for two days.

We speak of possible corruption and possible inefficiency of Government managers of such industries. The corruption that has been revealed on the part of the responsible officials of the Colorado Fuel & Iron Co., the ignorance and incompetence and indifference of its directors, and the responsibility of managers have been such that not in the blackest history of political corruption or incompetence could it be paralleled. It seems to me that his testimony establishes conclusively the fact that modern capitalists have ceased to have any claim to control of the natural industries of this country on which the



life of the people depends, and that for this reason the Government as such, the public as such, should step in and take over the management and operation. This finishes my answer.

Commissioner WEINSTOCK. For your information, Mr. Hillquit, I want to explain that this commission adjourns at 12.30. Some of the members of the commission will be unable to be here this afternoon, and they are all very desirous of hearing your answers to these questions that will be put. Under the circumstances, therefore, I must ask you to be good enough in answering whatever questions are put to you to brief them as much as possible so we may keep within our time limits.

It is not my purpose to enter into a discussion on socialism, and yet the question of socialism touches upon the problem that this commission is dealing with, and I would therefore ask you, in the first place, are you a Socialist?

Mr. HILLQUIT. I am.

Commissioner WEINSTOCK. Secondly, I want to make sure that I understand socialism as you understand it. My conception of socialism is that it advocates the cooperative commonwealth; that it advocates that there shall be but one employer and that employer shall be all the people, and that all the people shall own all the machinery for production and distribution. Have I the correct conception of what socialism stands for?

Mr. HILLQUIT. You do not have, Mr. Weinstock.

Commissioner WEINSTOCK. Will you please describe it briefly?

Mr. HILLQUIT. I shall be pleased to do so. Socialism does stand for the democratic ownership of the instruments and resources of industry. But it does not stand for the ownership by all the people of all the industries. In other words, it does not stand for national ownership of all industry. It is opposed to private industries and private exploitation; it stands for the management of industry through the Nation or State or municipality or cooperative groups of any kind as to the various industries according to the extent and character of the industry.

Commissioner WEINSTOCK. Well, I think, Mr. Hillquit, you represent a somewhat different school of Socialists from those Socialists whose doctrines I have been reading and studying. My conception was that socialism stood for the public ownership of all the machinery of production and of distribution, and I take it you are not in harmony with that particular school of socialism.

Mr. HILLQUIT. Pardon me, Mr. Weinstock. You have now given me a different definition. What you now say is public ownership of all industries or of the instruments of production.

Commissioner WEINSTOCK. Of all the instruments for production and distribution.

Mr. HILLQUIT. Yes; and what you said before was the one employer—the national ownership—all the people owning all the industries. Now, these are two entirely different things.

Commissioner WEINSTOCK. Perhaps I did not make myself clear. Let us be sure then that we understand this point alike—that socialism stands for the public ownership—common ownership—of all machinery of production and distribution. Have I got it right now?

Mr. HILLQUIT. Public ownership is right.

Commissioner WEINSTOCK. Yes; all right. I take it further that the Socialist believes that the real solution of the problems that this commission is dealing with—that the real remedy lies in socialism?

Mr. HILLQUIT. Eventually; yes.

Commissioner WEINSTOCK. That that would remove all the causes for industrial unrest?

Mr. HILLQUIT. Well, eventually.

Commissioner WEINSTOCK. And that if we were to say to the Socialists of this country, "What is your remedy for industrial unrest?" the answer substantially would be socialism?

Mr. HILLQUIT. Right.

Commissioner WEINSTOCK. And I take it further, Mr. Hillquit, that you, as a Socialist living under capitalism and not desiring to become a burden upon society, and not desiring that your dependents shall become a burden upon society, are exercising your thrift and industry and talents to accumulate whatever competence you can?

Mr. HILLQUIT. Whatever I can, is right.

Commissioner WEINSTOCK. Exactly; now, if you, by virtue of your talents, your character, and your ability, should be able to accumulate a great com-

petency and should see fit to set aside that competence either in the nature of a gift or a legacy, specifying that it shall be used for the propaganda of socialistic doctrine, do you feel that you could be justly criticized for doing that?

Mr. HILLQUIT. I could not; under the circumstances outlined by you.

Commissioner WEINSTOCK. You could not?

Mr. HILLQUIT. No.

Commissioner WEINSTOCK. You would feel that you were thoroughly warranted in using your competency for the purpose of the propaganda of socialistic doctrines, believing, as you would, that that would be in the best interests of humanity?

Mr. HILLQUIT. Assuming that the amount that I had so set apart was not so overwhelming as some of the amounts we have mentioned here. Assuming that I had accumulated it, as you say, by my own thrift and industry, I should say there was nothing objectionable in it.

Commissioner WEINSTOCK. Well, supposing you should fall heir to a very large sum of money, and you saw fit to take that money and use it for socialistic propaganda, do you believe that you would deserve unfavorable criticism for it?

Mr. HILLQUIT. If I were to fall heir to a fortune of, say, \$100,000,000 and should place it entirely at the disposal and disposition of the Socialist Party or the Socialist movement for propaganda purposes, I think that the stability of the present order would be seriously threatened by it—for good, from my point of view.

Commissioner WEINSTOCK. Yes; well, would you think you would be justly entitled to unfavorable criticism for doing that?

Mr. HILLQUIT. I think any man who would attempt to exercise control over a sum of money amounting to \$100,000,000, no matter in what way, will be justly subject to criticism. I think, in other words, Mr. Weinstock, that the mere power of any man to dispose of a fortune like \$100,000,000 for any purpose which he thinks best, shows an abnormal social condition which should be curbed.

Commissioner WEINSTOCK. Well, living as we do under the capitalistic state, Mr. Hillquit, if you should wake up to-morrow and learn that you had fallen heir to \$100,000,000, what would you do?

Mr. HILLQUIT. Well, I should say, "I don't believe it," first. I should say this, Mr. Weinstock, your question is entirely hypothetical, because, as a matter of fact, \$100,000,000 do not usually come by unexpected gift from inheritance, but are usually accumulated by the present industrial practices, and that makes all the difference in the world. But, assuming that I allow the flight of my imagination to have free play and imagine I wake up with a fortune of \$100,000,000, I should say, as I am at present inclined, I should refuse to administer it, considering that no individual would have the right to exercise such public functions as are inherent in a fortune of this kind.

Commissioner WEINSTOCK. Well, if it was yours, thrown into your lap, what would you do with it?

Mr. HILLQUIT. Throw it back to the State or Government for the use of the people from whom it has been wrung. It does not grow on trees.

Commissioner WEINSTOCK. You would then present it to the Government?

Mr. HILLQUIT. I would.

Commissioner WEINSTOCK. With or without any restrictions?

Mr. HILLQUIT. I would; if I were to have it to-day, present it to the Government for the use of such general public enterprises as I should think would go for the welfare of the community, and particularly of the working class.

Commissioner WEINSTOCK. Well, then, would you simply hand the \$100,000,000 over to the Government without saying anything, or hand it over and say, "I recommend" or say, "I desire it should be used in this and this and this fashion"?

Mr. HILLQUIT. If I should follow my inclinations formed at this moment, and this is entirely an unexpected situation, I should hand it over without restriction. I should not consider myself entitled to place any restriction or to make any directions for the handling of such a vast sum of money, which I would consider social wealth and social power.

Commissioner WEINSTOCK. Now, the reason why you would do that would be purely because of the large amount involved. You said a little while ago that if you should acquire a competence and should decide to use that competence for the purpose of socialistic propaganda, you would feel you would not be deserving of unfavorable criticism. Now, where would you draw the line? At what point in the volume of the fortune.



Mr. HILLQUIT. It would always be difficult, Mr. Weinstock, to fix upon a definite figure. I should say that I should consider a sum like several thousand dollars or tens of thousands of dollars possibly representing the actual earnings of an individual under modern conditions—but that I should consider a sum such as \$100,000,000 as quite impossible to be produced by personal efforts or merits.

Commissioner WEINSTOCK. Well, are we to understand then, Mr. Hillquit, that your limit for setting aside of funds for propaganda purposes would be \$100,000?

Mr. HILLQUIT. I should say that I would not consider that any individual to-day could earn more than \$100,000 by his personal efforts and by his contribution to the general industrial welfare of the community.

Commissioner WEINSTOCK. So that \$100,000 would be the limit that you would set aside for propaganda purposes; is that correct?

Mr. HILLQUIT. We are discussing here altogether abstractions, of course.

Commissioner WEINSTOCK. Yes.

Mr. HILLQUIT. I should say that I should not feel that I had earned more than \$100,000; I should not feel that I had earned that much, if I had it. If I had more, I should feel that I have abstracted that from somebody else without being morally entitled to it. What I should do if I should, nevertheless, find myself in possession of such an amount, why, whatever I should say to you would be in the nature of an unpremeditated guess.

The chances are, if I had \$100,000 I could spare—if I had more, I should devote that sum to the propaganda of socialism, quite likely. The chances are, I might devote part of it to other purposes that I might consider proper. The chances also are if that fortune should mount into such figures as to cease to be, in my view, purely a private fortune, I should refuse to handle it.

Commissioner WEINSTOCK. The inference, then, from your statement is this: As you pointed out in answer to the questions, you would regard great accumulations of wealth as a menace to the welfare of society?

Mr. HILLQUIT. Right.

Commissioner WEINSTOCK. And if you had all the rich men of this Nation before you at this moment and you were asked to talk to them and give your views, I take it your speech would contain something like this: My advice to you in the interest of commonwealth of society is that you set aside sums approximating \$100,000 for the propaganda of any views that you may have, and that all of the rest of your wealth you would give to the Government to be used as the Government may see fit.

Mr. HILLQUIT. Your conception is entirely wrong.

Commissioner WEINSTOCK. I will be glad to have you right it.

Mr. HILLQUIT. I should not risk to make any such statement or give any such advice to a group of the wealthy men of this country. I should rather address myself to the poor man, to the workers of this country, and I should say to them: The swollen fortunes are taken from your earnings, and I therefore consider it your duty and your business to take over the industrial as well as the political government of the country and make the system which creates such swollen fortunes impossible, leaving the present fortunes, if you please, in the hands of the present owners. I would not care for that.

Commissioner WEINSTOCK. And if the wealthy men to which you were talking should ask you how to deal with that wealth, what advice would you give them?

Mr. HILLQUIT. I should say, "Gentlemen, you are powerless to deal with your fortunes in any equitable proper way, or to deal with them at all." I should say, "You are the victims of the system which has created you abnormally and morbidly wealthy, just as the workers are victims of the same system that has made them poor and suffering."

Commissioner WEINSTOCK. Then you would have no advice to give them as to how they should use their wealth?

Mr. HILLQUIT. I should not care to give any advice. I do not think that is the crux of the situation. I do not think the manner in which they use their wealth will make much of a change as far as social evolution is concerned. I think it is a question how the workers will use their power and intelligence, and not how the capitalists will use their wealth.

Commissioner WEINSTOCK. It seems to me that that is a very pertinent question, for this reason: We are investigating into these foundations, and we want to determine whether they are good things or bad things.

Mr. HILLQUIT. Yes.

Commissioner WEINSTOCK. And we invite your opinion.

Mr. HILLQUIT. Very well.

Commissioner WEINSTOCK. On that point, to tell us whether, in your judgment, they are good things or bad things. The tendency or the trend of your opinion, as I gathered it from your statement, is that you do not regard them as good things.

Mr. HILLQUIT. I regard them as bad, Mr. Weinstock.

Commissioner WEINSTOCK. As bad things. Very well. Now, if they be bad things they ought to be discarded?

Mr. HILLQUIT. Sure.

Commissioner WEINSTOCK. And, if possible, they ought to be prevented?

Mr. HILLQUIT. Yes.

Commissioner WEINSTOCK. Very well. Now, then, what answer shall we make to the criticism that came to my ears this week from a woman, who said: "This is a very strange situation. We find fault with men because they made great wealth, and now we are finding fault with them because they are giving it away for the common good"?

Mr. HILLQUIT. Quite right, Mr. Weinstock. The answer to that would be the fault is exactly the same—the creation of such tremendous wealth is a social wrong, and the application of such wealth for any purpose is tainted with that social wrong and must carry the germ with it.

But to answer your question. Your commission is investigating the desirability or undesirability of such foundations. I take the point of view that they are highly undesirable, but that does not mean I propose to take Mr. John D. Rockefeller, jr., aside and say, "Look here, what you are going to do is wrong," because I know no matter what he will do with his billion dollars will be wrong and must be wrong of necessity. But my advice through the commission to the people of the United States is not to permit conditions which will allow a billion dollars to accumulate in the hands of one man and then make him the master of our economic destinies and our natural and political development. So my advice is not addressed to Mr. John D. Rockefeller; my advice is addressed to the people.

Commissioner WEINSTOCK. You offered as one of the reasons why, in your judgment, foundations such as the Rockefeller Foundation is not good, but is bad, is because it can influence the thought of the creators of public influence?

Mr. HILLQUIT. Yes.

Commissioner WEINSTOCK. And that it can influence the opinions of professors in colleges, for example, and so on. And that your remedy would be to have all educational institutions under Government control; that is, that all schools of learning shall be Government schools of learning and not private schools of learning. Do I get that correctly?

Mr. HILLQUIT. That is correct.

Commissioner WEINSTOCK. Now, would you go so far, Mr. Hillquit, as to prohibit private educational institutes?

Mr. HILLQUIT. I should not prohibit private educational institutions for certain specific purposes or subjects which the Government as such does not take care of. I would prohibit any private institution for general education. By that I mean general preliminary education and technical and professional education.

Commissioner WEINSTOCK. That you would confine to the Government?

Mr. HILLQUIT. Exactly.

Commissioner WEINSTOCK. Your belief is that under those circumstances the teachers in these schools of learning would be free and independent and could express their opinions, whatever their opinions might be, as long as they were honest opinions?

Mr. HILLQUIT. Always assuming that at the same time our Government will develop sufficient democracy and freedom in every respect.

Commissioner WEINSTOCK. Well, then, is it not a fact, Mr. Hillquit, that there have been innumerable occasions where in Government schools of learning, in our State universities, professors have been retired because of their opinions?

Mr. HILLQUIT. That is undoubtedly the fact, Mr. Weinstock, and it is a fact that is accounted for by the further fact that such State institutions have been very largely controlled and influenced by a dominating political party, in turn influenced by great economic interests.

Now, our program, Mr. Weinstock, is not confined to schools alone. But what we have in view is to increase the powers and functions of the Government while at the same time making the Government more democratic and



placing it in the hands of the people, so as to make such sinister influences impossible.

Commissioner WEINSTOCK. If it is admitted that public teachers and public educators have lost their positions in its educational institutes because of their opinions; if that is admitted, which I am sure can not be denied, then the proposed remedy under existing conditions is no remedy.

Mr. HILLQUIT. It is. Even while under existing conditions such cases may occur, they would, on the whole, be more bearable and more wholesome than would the private influence of such teachers in universities, and for this reason: That any fault in administration in politics can and will eventually be corrected by the public at large. You take the State university; if a teacher should be dismissed for the expression of some views, he has the public to appeal to, he has the voters to appeal to, and he has a campaign in which to fight it out.

Take the case of an individual professor dismissed for similar views by privately endowed institutions; he has no remedy of any kind. Faults of democracy can be cured.

Commissioner WEINSTOCK. Of course, you are quite aware, Mr. Hillquit, that when a professor in a university is dismissed, in the State university, on account of his opinions that that is not the reason that is given.

Mr. HILLQUIT. No.

Commissioner WEINSTOCK. He is dismissed for other reasons.

Mr. HILLQUIT. Quite right.

Commissioner WEINSTOCK. Ostensibly, but really for his opinions?

Mr. HILLQUIT. Yes.

Commissioner WEINSTOCK. So that he has no redress.

Mr. HILLQUIT. Now, pardon me. While the other opinions are stated by the authorities of the university, there is nothing to prevent the displaced or dismissed professor from telling the actual facts and from explaining them as loud as he can and making the people of the State see it and forcing redress, but there is no such avenue in privately endowed institutions.

Commissioner WEINSTOCK. Well, but that would simply tend to confuse the public mind, because the other side would deny his charge.

Mr. HILLQUIT. The question there would then be between truth and falsehood, but we never should despair of truth because somebody opposes falsehood to it.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. That is all, thank you. You will be excused.

We will now stand adjourned until 2 o'clock.

(At 12.30 p. m. Friday, February 5, 1915, a recess was taken until 2 o'clock in the afternoon at the same place.)

#### AFTERNOON SESSION—2 P. M.

Chairman WALSH. Will the house please be in perfect order?

Mr. Carnegie, will you please take the stand?

#### TESTIMONY OF MR. ANDREW CARNEGIE.

Chairman WALSH. Take that chair, please.

Mr. CARNEGIE. Thank you.

Chairman WALSH. Will you please state your name?

Mr. CARNEGIE. Andrew Carnegie.

Chairman WALSH. Where do you reside, Mr. Carnegie?

Mr. CARNEGIE. No. 2 East Ninety-first Street, New York City.

Chairman WALSH. What is your business?

Mr. CARNEGIE. My business is to do as much good in the world as I can. I have retired from other business.

Chairman WALSH. Will you kindly take your seat?

Mr. CARNEGIE. Yes, sir.

Chairman WALSH. Mr. Carnegie, you have been asked to appear before this commission to discuss two particular questions; that is to say, the responsibility of industries and directors for labor conditions in the corporations in which they are interested, and, secondly, the question of the relation of the great foundations to industry, education, and the public interests generally. I understand that you have prepared some statement, and the commission is inclined to allow you to go into these matters in your own way.

Mr. CARNEGIE. I do not know how to thank you, Mr. Chairman. That is what I would like to do, and I have prepared a statement so that I would not delay you.

Chairman WALSH. Very good.

Mr. CARNEGIE. I have followed the examination of the other gentlemen who have appeared before you. Now, may I begin?

Chairman WALSH. Yes; and if you desire to stand, you may deliver it that way.

Mr. CARNEGIE. Well, I like to stand. I am not much of an orator, but I like to be able to stand.

Mr. Chairman and gentlemen of the commission, I have read with deep interest the testimony given before you by many millionaires, Messrs. Schiff, Belmont, Guggenheim, Perkins, Gary, and notably Miss Tarbell, who, though not a millionaire, certainly deserves to be. She seems to have a firm grasp upon the problem and proves herself one who has studied the question and rightly appreciates the great progress made during her time.

I agree with her statement, "Sane publicity is the cure for most evils in American industrial life." Last but not least, the testimony of that unaccountable being, Henry Ford, who declares that he could make every convict in Sing Sing a competent, trustworthy laborer in the vineyard.

I am not disposed to question anything that this prodigy asserts. Success to him! By all means let us give him a trial. His success here would be no more of a seeming miracle than his success has been with the Ford car.

I never bought or sold shares on the exchange; all my earnings came from manufacturing. If it were necessary for me to return to that calling I should not consider the problem of labor as at all difficult. On the contrary, I enjoyed conferences with our men. We had one rule, come what may—we would never think of running our works with new men after trouble with them. Able, sober, well-behaved workmen, such as ours were, are not to be picked up on the street, Mr. Chairman, and we wished no others. We were very particular in regard to drinking; I am a total abstainer myself. A first offense, men were excluded 30 days; second offense, 60 days; third offense, we parted company.

We have only had one serious disaster with labor, but that was sad, indeed. I was coaching through the Scottish highlands on my holiday and did not hear of the lamentable riot at Homestead until days after it occurred.

I wired at once that I would take the first steamer home, but was requested not to come. My chief partner, Mr. Phipps, in a letter published in the New York Herald, January 30, 1904, explains it as follows:

"Q. It was stated that Mr. Carnegie acted in a cowardly manner in not returning to America from Scotland and being present when the strike was in progress at Homestead.

"Answer by Mr. Phipps, which was published. When Mr. Carnegie heard of the trouble at Homestead he immediately wired that he would take the first ship for America, but his partners begged him not to appear, as they were of the opinion that the welfare of the company required that he should not be present at the time."

Now, mark this:

"They all knew his extreme disposition to always grant the demands of labor, however unreasonable. I have never known of any one interested in the business to make any complaint about Mr. Carnegie's absence at that time, but all partners rejoiced that they were permitted to manage the affairs in their own way."

Some of the men at the works cabled me. "Kind master, tell us what you want us to do and we will do it for you." It was too late.

I supposed, from Mr. Phipps's cable, that all was settled and decided it best to conform to my partners' wishes. My partners made a most generous offer to the workmen. The new Homestead rolling mill increased its product 60 per cent over the old. We had spent millions in this new work, which are the greatest works; I think, to-day. There are none like them, and visitors come from all over the land to see them. The rollers were offered 30 per cent advance in wages, one-half of the total gain. We took the other half from the millions that we had spent. I would not have done more. The error was in trying to start with new men against our rules. But here, again, I understand, the governor of the State, with troops at Pittsburgh, determined to vindicate the law. With this exception, we never had one grave disaster.



One or two partners out of our 40, as Mr. Phipps states, sometimes considered me foolish "in always yielding to labor," while I am satisfied that for every dollar so spent we had, indirectly, ample, and more than ample, reward.

One of the committee asked one of the workmen: "What are you making per day?" And the roller said, "\$12." And the Congressman said, "Per week?" "No, sir; \$12 per day." And that was quite true.

The workmen that we had—sober, well-behaving men as they were and are to-day—are the most profitable of all; and many of them rose to permanent high salaries and not a few to partnerships, of which we have not less than forty-odd, who are organized to-day as the Carnegie Veterans and dine once a year in our home. They come from all parts of the land.

You might like to hear the following incident connected with that Homestead strike: The governor of Pennsylvania, I understand, wished certain of our workers arrested for riot and bound over for trial. Consequently, some of these disappeared, among them the burgess of Homestead. Some time afterwards my friend, Prof. van Dyke, of Rutgers College, was ordered to California for his health. Upon his return he told me that he had met the ex-burgess working as a laborer in a Mexican mine at Sonora. I asked him to offer McLuckie any help he needed, and upon his return to the West he did so. Meanwhile, McLuckie had got a position with the Sonora Railway driving wells and was succeeding admirably and making high wages. The professor said, "You don't know whose money I was told to help you with." He said that he had no idea. "Well, it was Mr. Carnegie's." Then came the slow, earnest response: "That was damned white of Andy"—words that I treasure.

When I heard this I suggested to my friend Van Dyke that it wouldn't be a bad epitaph to grace one's tombstone. If it ever did, I hoped there would be no long blanks between the two d's. Each letter must be put down to give McLuckie's proper expression.

When I talked to the Homestead rollers upon my return I told them my partners had offered liberal terms, and I could not have offered more. One roller said, "Ach, Mr. Carnegie, it wasn't a question of dollars; the boys would have let you kick them, and they wouldn't let another man strike their hair."

May I trouble you with one example of the workings of our system—another feature entirely? Upon these old things, Mr. Chairman, my memory dwells with great satisfaction. Upon one of my visits to Pittsburgh I met the men who wished a conference. They asked that payments be made every two weeks instead of monthly, as the Pennsylvania Railroad employees were then paid. We followed their example. One named Johnny Edwards, a clever workman and fine fellow, rose to state their case. He said that if they were paid semimonthly, it would be equal to a raise in their wages. He and his wife visited Pittsburgh the last Saturday of each month and bought a full month's food supply, thereby saving one-third on shop prices near the works. "Why don't other workmen do the same?" I asked. He replied: "Few of your men can afford to buy a month's food in advance. My wife and I can."

Here was an opening. I decided it will be semimonthly payments thereafter, and so it was.

Then Edwards said: "There is another unfair charge; the coal dealers here charge almost double for coal in small quantities." "Indeed," I said, "hereafter our workmen get their coal at the exact wholesale cost to us; not 1 cent of profit." "And," said Edwards, "we don't want to be too troublesome, but everything we buy here is far dearer than in Pittsburgh." "Well," I replied, "why not start a shop of your own? Rent one on Main Street, and we shall pay the rent; organize and run it, and charge our workmen just enough to pay your way." And this was done, but from one point of view I regret to say that the shop did not prove successful; but nevertheless we had a victory. The retailers reduced prices.

You have here an illustration of the difficulties workmen are often compelled to bear. There was another feature. We offered our men 6 per cent upon all the savings left with us, payable on demand. And here let me congratulate Judge Gary and his board on the greatest step yet taken between capital and labor. When workmen were made shareholders they were sold shares in the company upon a very liberal basis and guarded against loss. I consider this the greatest of all steps forward yet taken for making workmen and capitalists fellow workmen indeed, pulling and owning the same boat. This can not fail to prove highly profitable to both. Far beyond the pecuniary advantage I esteem the fellow partnership which makes to-day Judge Gary, Mr. Farrell, Mr.

Dinkey, and other high officials real fellow partners with their workmen. No greater triumph has labor ever won, nor one that will tell so much for them in the future.

All this reveals steady progress upward and onward to the benefit of both labor and capital, which will some day rank as one, notwithstanding the hesitation to cooperate shown by some labor champions—not many—who are still extremists and do capitalists injustice; but this must steadily fade away. As I told the great audience at Homestead upon my first visit after the strike, we shall one day all recognize capital, labor, and business ability as a three-legged stool, each necessary for the other, neither first, second, nor third in rank; but all equal. That is to be the solution of capital and labor.

Lest my summing up, Mr. Chairman, may seem one-sided, I will give a proof of my efforts to hold the scales equal between capital and labor. Only once have I had experience of a determined effort to commit wrong upon the part of labor. In all my experience this was the only case that I ever had to meet labor which proposed to dishonor itself. It is true that the men at the Edgar Thompson blast furnaces sent in a written demand for an immediate advance of wages, which, if refused, would end in the furnaces being left unfilled. That meant stoppage. Upon receiving a telegram to this effect I took a night train from New York and got off at the works next morning. I found a long train of our empty box cars ready to house new workmen if necessary. I directed these to be pulled out of the yard and sent away, stating there would be no strike here, and notifying the leaders of each of the three different divisions of labor in those works to appear as soon as practicable, that I might consult with them. The leader of each department, with one or two aides, arrived. We assembled in the committee room. I addressed the chairman of the committee of the converting works first. This was not the one that had done wrong. This was one we had heard nothing from.

"Mr. Chairman, have we an agreement with you?" The answer came, "You have, and you haven't enough money to make us break it." "There speaks the true American workman," I exclaimed. The very words that I can never forget. "There speaks the true American workman."

Addressing the rolling mill chairman, I asked the same question, and the reply was to the same effect. I then addressed Mr. Kelly, the chairman of the furnace committee, who had presented this demand: "Mr. Kelly, have you an agreement with our company?" He said that an agreement was presented, and he had signed it and had supposed it was all right. Just then the irrepresible Capt. Jones broke in: "Mr. Kelly, you know I read all of it to you." "Silence, Capt. Jones. Mr. Kelly can speak for himself. I received many communications and documents which I haven't time to read. If they were of a formal nature, I have sometimes signed documents without giving them careful attention; but, Mr. Kelly, I have always stood prepared to take the consequences, and I never broke contracts. Now, Mr. Kelly, you have signed that treaty, and you can break it, but the grass will grow over these works before we will have such men in our employ. It will be heralded throughout the world as the deepest disgrace thrown on labor. You wished your answer at 4 o'clock. It is now a little after 3; but the answer is ready—go." And they went.

A little later some one who was coming in as they were passing out, and who had got in the crowd, said a fine-looking fellow had pushed across the hall and said to Kelly: "Kelly, you might as well understand now, there is to be no damned monkeying around these works." Some of the men being curious to know what would be the result had gathered at the blast furnaces. To their inquiries Kelly replied, "Get to work you spalpeens; by golly the little boss just hit from the shoulder" and he did.

There was no strike. And that is the best service I ever rendered labor, so that, although I was inclined to yield to labor, I drew the line at contract breaking. This was the first time I had found labor, and that was only one portion of them, ready to break a contract, and it was the last.

We once proposed making a change in the distribution—not in the amount—of wages among the different departments of the steel-rail mills, as new machinery was introduced. It was not fairly divided and we knew that; new machinery had made new conditions. The conferences were held in Pittsburgh. After several days' consideration I had to leave for New York on the night train. The men in the mills asked by telegraph if I could meet with them in our office in the afternoon. I answered, "Yes." They came to the city and were seated in the board room. Mr. Edwards, who was again spokesman,



here rose and began: "Mr. Carnegie, we agree that there is a sufficient sum proposed for our total work, but we think it is not wisely divided. Now, Mr. Carnegie, you take my job." "Order, Billy Edwards, order; Mr. Carnegie takes no man's job." Suppression was impossible, out came roars of laughter, and foot stamping, and the victory was won. We shook hands and I was off on the night train. Money is not the foremost or sole object of the better class of workmen. That play upon words with Billy Edwards did the business.

Now, Mr. Chairman, we began manufacturing with a capital of \$7,500; that was a big sum then. My share I borrowed from a bank in Pittsburgh. When superintendent of the Pennsylvania Railroad I had seen a wooden bridge burn, blocking traffic for eight days, and I believed in iron bridges; the day of steel had not yet arrived. From this small beginning grew the Edward Thompson Steel Works, Homestead Works, Duquesne, the blast furnaces and locomotive works at Allegheny, our gas wells in West Virginia, and the great ore fields we bought from Mr. Rockefeller.

It is 14 years since I retired from business, in pursuance of my decision to cease accumulation and begin distribution of my surplus wealth, in which I am still engaged.

In 1888 I published an article in the North American Review, which was afterwards christened "The gospel of wealth," by Mr. Gladstone. He had read it in England, and he commented upon it in the Nineteenth Century. It attracted attention and many answers were sent to this magazine. I quote you the following extract from "The gospel of wealth," because here is my gospel that I have accepted and labored in for 15 years since I left business. This is called "The problem of rich and poor":

"Thus is the problem of rich and poor to be solved. The laws of accumulation will be less free; the laws of distribution free. Individualism will continue, but the millionaire will be but a trustee for the poor; intrusted for a season with the great part of the increased wealth of the community, but administering it for the community far better than it could or would have done for itself. The best minds will thus have reached a stage in the development of the race in which it is clearly seen that there is no mode of disposing of surplus wealth creditable to thoughtful and earnest men into whose hands it flows save by using it year after year for the general good. This day already dawns. Men die without incurring the pity of their fellows, still sharers in great business enterprises from which their capital can not be or has not been withdrawn, and which is left chiefly at death for public uses, yet the day is not far distant when the man who dies, leaving behind him millions of available wealth, which were free for him to administer during life, will pass away 'unwept, unhonored, and unsung,' no matter to what use he leaves the dross which he can not take with him. Of such as these the public verdict will then be, 'the man who dies thus rich dies disgraced.'

"Such in my opinion is the true gospel concerning wealth, obedience to which is destined some day to solve the problem of the rich and the poor, and to bring 'peace on earth, among men good will.'"

In accordance with this doctrine my first act upon retiring from business was to give \$5,000,000 to the workmen of the Carnegie Steel Co. as a parting gift—\$4,000,000 for pensions to the men and \$1,000,000 to maintain the libraries and halls I had built for them. I say "I." My partners did not contribute to these gifts. My partners were poor and were in no condition to distribute surplus wealth and were therefore not asked to do so.

I was greatly pleased when, later, the United States Steel Corporation saw fit to join with me in this and duplicate my gift, adding \$4,000,000 more to the fund for pensions. I have just read the following report of this joint fund with great satisfaction:

"The fourth annual report of the United States Steel and Carnegie pension fund, made public to-day, shows that since January 1, 1911"—that is when I started it—"when the fund was established, the retired employees of the Steel Corporation have received in pensions \$1,575,021.33. For the year 1914 the total disbursement from the pension fund amounted to \$511,967.90, which was a gain over the previous year of \$89,152.76, and a gain over the previous year of \$89,152.76, and a gain of \$230,510.53 over the first year of the fund's existence.

"The Pittsburgh district leads in the amount of money paid out to the aged and infirm, former employees of the various subsidiary companies. To retired mill operatives in the Pittsburgh and valley districts the sum of \$222,656.33 was paid during the year, and to this may be added the sum paid to the coke

workers in the fields adjacent to Pittsburgh, which amounted to \$59,995.66, making the total for mills and mines in the district, \$283,651.99.

"Pensioners in Cleveland and its vicinity received approximately \$50,000. In the Chicago district the amount distributed to former mill workers was \$30,157.86. In New England retired employees of the Worcester, Mass., plants received \$39,855.56.

"There are now 2,521 beneficiaries of the fund. During the year 612 pensioners were added and 183 died. The average pensions of the cases added were \$20.40 a month, the average age of the pensioners being 63.33 years, and the average term of the service 28.76 years. Under the rules of the fund not less than \$12 nor more than \$100 per month is paid."

The hero fund which I was privileged to found has always interested me most deeply, perhaps because the idea came to me through personal experience. Mr. Taylor, who was formerly superintendent of a coal mine near Pittsburgh, heard that an accident had occurred and immediately drove to the mine, called for volunteers to descend to the rescue of those below. A number promptly responded and many were saved, but Mr. Taylor, the volunteer hero, lost his life. Here was the true hero of civilization, a man who saves and serves his fellows. The heroes of barbarism wound and slay theirs. That is the difference between barbarism and civilization. I could not rest until I had founded hero funds with a total capital of \$11,790,000. That is the cost to date. The report of the annual meetings held at Pittsburgh on January 20 shows awards given to 40 heroes or their wives and families, with a total of 1,027 awards since the fund began operations. Every case is most carefully investigated. We do not want bogus heroes, but want absolute proof, and the mayors of the various towns and other officials have been anxious to help us. We require absolute certainty and proof given by witnesses.

The Carnegie Institute of Pittsburgh, one of the greatest gifts I have made, has not been mentioned. It has cost so far \$24,000,000 and has over 3,000 students from 42 States, 1,288 of whom are men from the industries, the sons of our own workmen, trying to improve their conditions. The fees are only nominal, averaging \$25 a year, which is one-fifth to one-tenth what is usually charged. The cheapest we know of elsewhere charges \$150. The highest is \$500. We charge \$25. We had to make a nominal charge of some kind as we had over 4,000 young men pressing to get in when we opened that institute. I have sheets to show the salaries some of these young students have received; one has received, which is the highest, \$6,000 a year, and several have received \$5,000 and some \$3,000 or \$4,000; and let me tell you the women are not behind. Numbers of them are earning splendid wages, fifteen, sixteen, or seventeen hundred dollars a year. I think we have it in detail and will leave you copies.

The students of that institution attend classes, and they only can work a portion of the time, and they do anything they can. During the past year, and I think this will surprise you, the students of this institution have earned in their spare time a total of \$291,589. Another feature would, I think, surprise you. We have a women's department, educating the young to become themselves educators of others. Each goes through a course of instruction, from dishwasher and sweeper to housekeeper, and finally playing the hostess for a term and receiving her guests. Mrs. Carnegie and I always have luncheon with them, and I assure you we have the reception and attention of the genuine lady. Such distinguished foreign visitors as Baron d'Estournelle de Constant have been there, and have not failed to express and publish their surprise and pleasure.

Mr. Chairman and gentlemen of the commission, we invite you to attend our next annual meeting at the end of April. The President of the United States, when president of Princeton University, once made the opening address and has given a conditional promise to open the next exercises, should conditions permit. I beg you to come and insure you proper accommodation in Pittsburgh. We will show you everything as it is for the year around and let you judge for yourself.

Some were at first apprehensive that our work would not favor the technology schools, which teach young men advanced modes of workmanship. These fears, however, have proved groundless. The men are sending their sons to the institute and rejoicing that they are to be advanced and rendered capable of higher scientific service. This step in advance is indorsed by the unions, and let them be credited therefor. Another proof that labor is fast



supplanting prejudice. I predict that many of these pupils are to rise to eminence and be a source of happiness and pride to their parents.

There is another department I had not supposed it would be necessary to mention, but consideration has led me to believe that it is much better to make no exception whatever. After retiring from business I soon found that the widows of friends who passed away were sorely troubled how best to secure the safety of funds left to them; I volunteered to accept the money of one widow, giving her my note for the amount and agreeing to pay 6 per cent a year. The relief she felt was so surprising that I continued doing this as other dear friends passed away, until the number of depositors has now reached 148 with a total of \$3,137,394.20 in deposits. I do not know of any service to widows which brings such relief. It relieves the widow of doubt about the security of the fund upon which she is able to live in comfort. Of course, the deposits and security are regularly examined by a representative of the State department of banking. Six per cent is a higher rate than banks would pay, but I feel justified in being liberal from the great good it performs.

I confess to being greatly surprised to learn within the past few days that I have no less than 481 pensioners upon my list, receiving a total of \$214,954.56 a year. These pensions are continued to the widows. This fund has also been kept secret hitherto, but your call for statement of all foundations seems to embrace this.

Shakespeare has tersely put the solution of wealth and poverty before us in these words: "So distribution should undo excess and each man have enough." The trend is in this direction in our day, but its fruition may mean centuries of progress, slow but sure, for all grows better; you may depend upon that, in this life.

The complete statement up to date—up to the close of last year, shows that the total of our foundations and gifts amount to \$324,657,399. The work still goes bravely on, thanks to the wise management of the able and willing trustees, and also of the employees who often assure me that it is labor in which they delight. I am, indeed, a most fortunate man, and think myself in nothing else so happy as in a soul remembering my dear friends, to whom I owe so much.

Mr. Chairman and gentlemen, we have six foundations, but I understand that three only of these have been called upon to answer questions. If at any time you wish to call the heads of the other foundations or ask further questions, they will be most happy to respond. We have nothing to conceal.

Thank you very much for the attention you have given me.

Chairman WALSH. Now, just a few questions, because the commission is not going to keep you very long.

We must have perfect order, please.

What do you say as to the responsibility of directors in industrial corporations for labor conditions in their plants?

Mr. CARNEGIE. What is that?

Chairman WALSH. What responsibility do directors have for labor conditions that exist in their industries?

Mr. CARNEGIE. Well, I would say they have responsibility, but nine times out of ten they do not have anything to do with the works, hence do not know of conditions there. They attend to the administration of the funds, and would depend a great deal upon what the president said. Suppose I went on one of the trusts, and the President of the United States—

Chairman WALSH. I am afraid I did not make my meaning clear. I am leaving the foundations now, and just have two or three questions to ask you. What do you believe to be the responsibility of a director in an industrial corporation?

Mr. CARNEGIE. An industrial corporation, not one of my corporations?

Chairman WALSH. Not in your corporation, in an industrial corporation; what is their responsibility for the labor conditions which exist in the plants of that corporation?

Mr. CARNEGIE. Well, I would say, from my experience, that a man could be a trustee in an industrial corporation—you mean if he is in the works?

Chairman WALSH. If he is a director in the corporation.

Mr. CARNEGIE. Oh, a director in the corporation?

Chairman WALSH. Yes.

Mr. CARNEGIE. Oh, if he is a director in the corporation he naturally would not hear of the trouble at the works and would not feel the responsibility;

but if he is a director he would meet with the president and a number of directors in consultation. You mean directors in the works——

Chairman WALSH. Yes.

Mr. CARNEGIE. And not a director in these foundations?

Chairman WALSH. No; not in what you are speaking of now. May I make it plainer to you? It seems to be observed that the directors in these large industrial companies—these concentrated industries, as they have been called—receive reports as to the financial conditions, inspections of machinery, comparison of production, sales, and such matters as that. In your opinion, should they also not receive as definite and frequent reports as to labor conditions?

Mr. CARNEGIE. I think that it would be well. I think that they would appreciate it, but I think if I were a director and I heard of no complaints, I would take it for granted that everything was right. It would be when notice was served that trouble had been created I should feel it my duty as a director to go down and consult with the others.

Chairman WALSH. But not until that time?

Mr. CARNEGIE. I do not know. I would be engaged in other affairs and it would not be likely I would know. Provided they are apprised of it, then I think the directors would be bound to give attention.

Chairman WALSH. Well, do you not believe, in view of the number of industrial disturbances——

Mr. CARNEGIE (interrupting). My friend, will you please put your question in another way? When you say "Do you not believe" that would imply that you would have me give acquiescence to your view, and I want to give my own. Be kind enough to say, "Do you," and ask me. [Laughter.]

Chairman WALSH. We must have perfect order, because I want to have a connected statement here.

Should a director so keep himself advised, in view of the disturbances, the recurring disturbances of labor in the large industries, as to the condition of labor, the wages paid, the hours of labor, the conditions surrounding the labor, so that he might have his voice in averting trouble?

Mr. CARNEGIE. I certainly believe that he should look into it, should give it attention, always remembering that he is apprised of the difficulty. As a director in an institution he would take it for granted, if everything is running well, the president and officers do not apprise him of trouble, he might go on perfectly innocent of there being any difficulty. But if he is apprised, then I think it would be his duty as a director to go and do the best he could to harmonize things.

Chairman WALSH. Should the director or the board of directors establish some system of reports by which they would be constantly apprised of conditions that might lead to industrial strife at any time?

Mr. CARNEGIE. I think it would be well. I think it would be a great improvement.

Chairman WALSH. That does not—or does that seem to be the custom among directors of corporations at the present time?

Mr. CARNEGIE. Well, it is so long since I was a director—you must remember I have been out of business for 15 years—although I have had a number of directorships in my time. I think that the duty there would devolve upon the president of the institution, and if there is trouble with labor the natural recourse would be to call the board together and consult. I go entirely with you there. But at the same time I could not blame a gentleman who was a director in one of these institutions that had not heard of anything. You must bring knowledge home to him.

Chairman WALSH. You say, Mr. Carnegie, knowledge must be brought home to the director. How would it be done?

Mr. CARNEGIE. Oh, I think through the president would be the natural course.

Chairman WALSH. If he did not do that, then what should the action of the board of directors be with reference to the president or other executives who fail to do that?

Mr. CARNEGIE. Well, gentlemen, I am not a director and I could not tell you unless I was one and knew all the circumstances. The man who has agreed to act as a director has taken some part of his time, and it is quite an obligation when he does it; but I think he would certainly expect to be apprised, if his counsel was wished, in any serious juncture.

Chairman WALSH. What do you say as to the desirability and right of workmen to form organizations of their own for what they believe to be their mutual protection and benefit?



Mr. CARNEGIE. Why, I should be delighted to hear from every such organization.

Chairman WALSH. Do you believe in the principle of collective bargaining, or the so-called right of men to bargain collectively with their employers?

Mr. CARNEGIE. Why, yes; I had great times. I never objected; and the more I got on the committee the better.

Chairman WALSH. Your experience, then, has been, I take it, from your answer and from what you have read from your paper it has been a pleasant experience rather than otherwise?

Mr. CARNEGIE. I never enjoyed myself so much—I tell you I look back to the old days—that is the chief joy I have. I burst out laughing many a time when I think of McLuckie, or Billy Edwards catching him there, "You take my job." That was the cleverest thing I ever did. "Order, Mr. Edwards, order; Mr. Carnegie takes no man's job."

Chairman WALSH. You never felt, Mr. Carnegie, that you could not confer with any man representing an organization of workmen that came in a business-like and respectable manner to confer with you?

Mr. CARNEGIE. I was only too glad when the workmen came. I felt pretty sure that if they came to consult with me that we would part all right.

Chairman WALSH. And did you find that it was usually a means of establishing peace to so deal with your workmen?

Mr. CARNEGIE. Undoubtedly. I knew them by name, and I delighted—and you see behind my back they always call me Andy. I like that, and I would rather have it than "Andrew" or "Mr. Carnegie." There is no sympathy about that. But you have your men calling you "Andy" and you can get along with them. [Laughter.]

Chairman WALSH. I have had no difficulty in restraining the expression of the audience until you came.

Mr. CARNEGIE. [Laughter.] That is all right.

Chairman WALSH. We must observe order.

Mr. CARNEGIE. Mr. Chairman, I congratulate you upon having such an audience and to see how many ladies are here. Do you know, one of the greatest triumphs in this age? It is the elevation of woman. [Laughter.]

Chairman WALSH. Ladies and gentlemen, if you will please keep quiet a few minutes I will ask Mr. Carnegie to repeat that sentence, as some of you may not have heard it. If you will keep quiet, I will ask him what it was.

What was it that you said, Mr. Carnegie?

Mr. CARNEGIE. I want to tell you something, that I never can forget. I was traveling in China—I went around the world and left the boys to do the work at home. But they cabled me very often. Sitting with the mandarins in China, we began to talk, and the question of course came upon the different views of the future and religion, and so forth, and one of the mandarins said to me, "Mr. Carnegie, the greatest work of your Christ is the elevation of women. They are not elevated in China, but that is Christ's great work. He has elevated women beyond any human being that ever lived."

And she is going on to-day. Just think of that young lady in our school that gets \$2,340 a year.

Commissioner WALSH. Now, I just want to ask you a question or two, Mr. Carnegie, and then we will excuse you.

Mr. CARNEGIE. I am not in a hurry. I am enjoying this immensely.

Chairman WALSH. Have you considered the possibility, Mr. Carnegie, of the foundations establishing, those in which great endowments are made to educational institutions exercising undue influence upon the beneficiaries?

Mr. CARNEGIE. I can not imagine such a thing as that possible. From what point of view do you suggest it?

Chairman WALSH. I have no point of view. I am just asking you for your opinion, without holding any point of view.

Mr. CARNEGIE. I can not imagine any injury coming from that.

Chairman WALSH. President Eliot has said—whom of course you know.

Mr. CARNEGIE. Well, he is one of my pensioners. He ought to know.

Chairman WALSH. He says that the giving of these large sums of money does influence the directors, but the influence has always been for good.

Mr. CARNEGIE. Yes; I think it has.

Chairman WALSH. Do you agree with that proposition?

Mr. CARNEGIE. There are exceptions to all rules. There may be villians receiving pensions, but the ordinary educator, a man like President Eliot, who

receives a pension in his old age, why I can not imagine anything that would give him greater relief, greater happiness. He was a member on the peace fund, but has resigned now.

Chairman WALSH. This refers more particularly, I would say, Mr. Carnegie, to the grants to institutions and not to any pensions to educators individually.

Mr. CARNEGIE. Oh, to institutions?

Chairman WALSH. Yes.

Mr. CARNEGIE. Now, the question again, please.

Chairman WALSH. I say, have you considered the possibility of the grant of large sums of money to educational institutions exercising an influence upon the institution or the teachers of the institution?

Mr. CARNEGIE. Why, yes; a great influence. I think it would lead to the greatest improvement. They will have funds that they can develop with. The great want in most educational institutions is the want of funds; and with more funds they would go on developing still further.

Chairman WALSH. In your practical experience in this line, Mr. Carnegie, the granting of money to educational institutions, have you found any persons or institutions which seemed to alter their avowed principles or previous methods of procedure in order to secure your other gifts?

Mr. CARNEGIE. No; I can not remember any such thing.

Chairman WALSH. Have you ever observed any such change, for instance, in any institution to which your foundation gave money, in the teaching of vocational education and training or the teaching of political economy or in the discussion thereof by the professors?

Mr. CARNEGIE. No; I could not point out a case.

Chairman WALSH. You have never observed a case of that kind?

Mr. CARNEGIE. Never. Of course, with more money you get important books you would not otherwise get; you get better instructors, perhaps, in certain lines; and I will tell you, Mr. Chairman, one rule that I think you might use here, whenever a body of men bind themselves together to do anything mean, low, and disreputable or unjust—for instance, take New York here, just as an illustration. You know we have a bad reputation for getting up arrangements for depressing one stock and boosting another, and they go into engagements that way; and you can imagine a lot of irresponsible men and bad men may be joining together and saying, "Now, let us do this with that stock, or let us put it up to this." Now, the reason that it is so seldom successful is this: You can not get a body of men—such men as we are talking about—to organize and agree to do anything that would be injurious or to break the laws, or any of that sort, because the bad man will say to himself, "All these men are engaged with me in a nefarious operation just now, and would not like to expose it; but they are like myself. They may be taking care of themselves. Now, I will hedge on them." And it is a rule, if you follow it through life, that wherever men bind themselves to perform anything wrong and mean and disgraceful, or to gamble in stocks—which is about the most deleterious sort of gambling because it is so often done. Wherever they are joined that way two or three of them are pretty nearly sure to get ahead of the others that they suspect, and they hedge themselves. Most pools have been broken up by men who have got an advantage of their fellows. They are cheating each other. That is my observation in their case. But when you get a lot of able, good men, capable of making their fellows' condition better, elevating the world, and standing for all that is refined and pure and noble, you can always depend upon such men. And it would be as great a miracle that there should be a bad man in that line as that there be a Judas Iscariot among the Apostles.

Chairman WALSH. Has your attention even been called to an apprehension on the part of individuals that these large foundations were a possible menace to American life and education in that they might influence—perhaps not immorally, but along the line of the interests of the managements thereof—education, publicity, and the like? If you have, I would like to hear what you have to say about it, Mr. Carnegie?

Mr. CARNEGIE. I never heard that suggested.

Chairman WALSH. You never heard that suggested?

Mr. CARNEGIE. No. I can not imagine—the character of men that you get together there—I have got a list of my trustees and I have asked my secretary to leave it with you. I won't trouble you with it, but in order that you could see the class of men that you would get to work for nothing and give their time



and attention without reward, excepting the greatest reward of all, the judge within [pointing to his breast] telling them that they will become of greater use in the world.

Chairman WALSH. Is it or is it not true that many colleges have given up their denominational charters and removed all denominational connections in order to secure grants from you personally or from your foundation?

Mr. CARNEGIE. I do not—I think there was one or two at first did it, but I have not heard of any recently. I think I remember that that was a case, and I explained that I wanted all the universities to receive young men and young women, no matter to what sect they belonged. You may call them Methodists—there was a university had a case in Nashville, Tenn., lately where the ministers came in and declared that they had the ruling of the \$2,000,000 I gave them, and the trustees took it up to the highest court, and they decided no—that my gift was right, and it was for a medical school. And I do certainly require that no matter what a young man thinks about the future life or any dogmas, I do not believe in my money shutting the door to that man and saying you shall not be educated as a physician because you do not believe this, that, or the other. I say that my money is for every young man and every young woman, and I do not care what he thinks or they think about the other world. My duties in this life are here in this life, and it is to benefit my fellow men in this world; and I tell you you can let the future world take care of itself if you obey the judge within.

Chairman WALSH. Do you believe, Mr. Carnegie, that the State or Federal Government should exercise any supervisory control over the great foundations?

Mr. CARNEGIE. Why, I would be delighted to welcome them. I do not believe the United States Government or the State legislature would have any desire to do anything that would not be agreeable to me. I would restrict nothing of that kind.

Chairman WALSH. Do you believe that full publicity should be given to the activities of these foundations?

Mr. CARNEGIE. Well, I have heard of that story—it is one of Burdette's, the man who just died in the West, who was the publisher of the Burlington Hawkeye—who said, "The Rev. Mr. Taylor is to preach to-night, Sunday night, upon Why was Lazarus a beggar? We have never thought there was any doubt upon the question. The question was settled long ago. He did not advertise."

Now, I believe in advertising. I would like more men, more people, to get interested in my foundations. I am so sure they will be benefited that I would welcome them all, and I would not mind have more directors to-morrow.

Chairman WALSH. To what extent do you consider it desirable for the directors in one foundation to hold offices or places on the boards of trustees of other foundations?

Mr. CARNEGIE. Ah, yes. I will tell you that. There is every—you know I have so many trustees—I know a great many trustees. Now, every now and then in one of the boards there is an element, perhaps, wanting. If we had the right men here we could manage this better, with better results. Well, as I know so many, I am very apt to think that I know a man living in Iowa and a certain man in Mississippi and a certain man here who would do; and I have been glad to suggest that, as the man may need it, and the result is that we have several interlocking men. I know men are especially fitted—fitted for special duties. Some men have a knack of doing things that is really remarkable, and there they are. Now, we have several—a great many of these men—noted men; and I have several times, I think, said, "If we had him on this board he would be adding great force to it." And he has been elected. I don't think that interlocking directors in my institutions—I do not think it has proceeded any further than benefited the case.

Chairman WALSH. Your idea is that if you observe a good man in one place, who shows he is a good man, and has some special knowledge or special adaptability, you think it well to put him in others, so far as he was willing and able to serve?

Mr. CARNEGIE. Yes; provided that other institution had not got the man who could attend to that department.

Chairman WALSH. You see nothing wrong or undesirable in what might be called interlocking directorates in these foundations, essentially?

Mr. CARNEGIE. Never had the slightest indication of anything of that sort.

Chairman WALSH. Now, we are going to excuse you permanently, Mr. Carnegie, and thank you very much for what you have told us.

Mr. CARNEGIE. The thanks are reciprocated. I have not spent a more agreeable afternoon I can not tell you when. Do not forget to come to Pittsburgh, if you want to see something there worth while.

Chairman WALSH. We are going to hold a hearing in Pittsburgh.

Mr. CARNEGIE. Oh, I see; I am very glad. I thank you very much.

Chairman WALSH. Now, ladies and gentlemen, I am going to ask you now that you will all here cooperate with the commission from this time forward to preserve perfect order. Of course, we will forget the past. Mr. Carnegie unsettled the commission and the audience both. But we are going to try to get through with a number of important witnesses, and I must say once more, that if any audible expressions of feeling are given by laughter, such as we have had in this instance, why, we will have to adjourn. It is absolutely essential that the way this witness has been examined can not be tolerated again. So I hope now you will all cooperate with us and keep quiet.

Call Mr. Rockefeller.

# TESTIMONY OF MR. JOHN D. ROCKEFELLER, SR.

Chairman WALSH. What is your name, please?

Mr. ROCKEFELLER, Sr. John D. Rockefeller.

Chairman WALSH. And where do you reside?

Mr. ROCKEFELLER, Sr. My legal residence is 4 West Sixty-fourth Street, New York City.

Chairman WALSH. And I believe that you are a retired business man?

Mr. ROCKEFELLER, Sr. I am. I have been 30 or 35 years out of active business life.

Chairman WALSH. Have you also a home at Tarrytown, N. Y., Mr. Rockefeller?

Mr. ROCKEFELLER, Sr. Well, no; at Pocantico Hills, which is back of Tarrytown.

Chairman WALSH. You are the donor of the Rockefeller Foundation, I believe?

Mr. ROCKEFELLER, Sr. I am. Mr. Chairman, may I here read the questions, if you please?

Chairman WALSH. Yes; Mr. Rockefeller, if you please. We will be very glad to let you do so. I have a few questions to ask you, and I believe we submitted some to you, and we will be very glad to allow you, of course, to just do it your own way.

Mr. ROCKEFELLER, Sr. Yes; well, if you please, I will just read these questions and the answers.

Chairman WALSH. Very good. You may proceed now, if you will, please, Mr. Rockefeller.

Mr. ROCKEFELLER, Sr. Mr. Chairman, if I do not read loud enough, I can raise my voice, if desired.

Chairman WALSH. Very good.

Mr. ROCKEFELLER, Sr. (reading):

"Information furnished by John D. Rockefeller in answer to questions submitted by the United States Commission on Industrial Relations, February 4, 1915.

"Question 1. The motive and principles which underlie the various foundations which you have established.

"Answer. The sole motive underlying the various foundations which I have established has been the desire to devote a portion of my fortune to the service of my fellow men. The principles have been fully set forth in the two chapters from my book 'Random Reminiscences,' which has already been made a part of the record of your commission.

"Question 2. Your purposes and plans with respect to the expenditure of the special \$2,000,000 annual fund which is reserved for your personal use by the Rockefeller Foundation?

"Answer. The Rockefeller Foundation was a development into impersonal form of my own personal plans of giving, followed for many years. While I desired to have the directors of the foundation free to use the funds as they might see fit, in making my last gift I reserved the right to designate, during my lifetime, the specific objects to which \$2,000,000 of the income should be given annually, my purpose being in this way to provide for the various philanthropies more or less personal to myself and related to the places of my



residence, to which I have been a contributor in the past. Under the terms of the clause of my letter of gift reserving this right, it is stipulated that the objects must be within the corporate purposes of the foundation and my designations are subject to review by the board as to that feature.

"Question 3. Your views regarding safeguards which have been stated to be necessary to prevent such institutions as the foundation from becoming a menace to the public?

"Answer. I regard the right to amend or rescind the respective charters of the several foundations which inhere in the legislative bodies which granted them as an entirely sufficient guarantee against serious abuse of the funds. Furthermore, I have such confidence in democracy that I believe it can better be left to the people and their representatives to remedy the evils when there is some tangible reason for believing they are impending, rather than to restrict the power for service in anticipation of purely hypothetical dangers.

"Question 4. The conference at Tarrytown with regard to the affairs of the Colorado Fuel & Iron Co., at which were present Mr. Welborn, Mr. King, yourself and others.

"Answer. The meeting at Tarrytown therein referred to was purely social in character. Messrs. Welborn and King were spending the night with my son. He asked me to meet these gentlemen at dinner. I never had had the pleasure of meeting Mr. Welborn before. No conference took place. Such mention as was made of business matters was of a purely informal and unpremeditated nature, taking place as I sat at dinner beside Mr. Welborn.

"Question 5. Your opinions regarding the responsibility of investors and directors for the labor conditions existing in the corporations in which they are interested.

"Answer. I think that the stockholders are responsible for the choice of the best men as directors. The directors are ultimately responsible for the general conduct of the business, and in discharging that responsibility it is their duty to select the best men to actually administer it. These administrative officers must have discretion and power commensurate with their responsibility. A large stockholder would ordinarily have more influence with a board of directors than a smaller one, and consequently would have a greater responsibility for the selection of directors who would see to it that the administrative officers maintained proper working conditions for their employees."

Chairman WALSH. I have a few questions I would like to put to you, Mr. Rockefeller.

We must have perfect order, ladies and gentlemen, please.

When you established your various foundations, Mr. Rockefeller, did it occur to you that they might under any conditions become a menace to the public, either through mismanagement or by exercising a great influence upon the public mind in any direction?

Mr. ROCKEFELLER, Sr. No; I can not say that I had any fears on that question.

Chairman WALSH. And from your experience, so far as you have advanced, have you found any such tendency?

Mr. ROCKEFELLER, Sr. I have had no occasion for any anxiety in that respect.

Chairman WALSH. What precautions or safeguards did you consider as a means of preventing such an outcome, say, in the future?

Mr. ROCKEFELLER, Sr. Well, I think that I have relied upon the people who are constantly to watch and to know what these foundations are doing with the fund, that is to see what use they are making of it; and the legislators will be much interested. They can not be more interested than I am.

Chairman WALSH. Would you consider that serious wrongdoing on the part of any such foundation would endanger the existence and hamper the proper activities of all?

Mr. ROCKEFELLER, Sr. I think that if there were on the part of any one of those foundations something found to be wrong that that would be corrected. I should hope it would not result in harmful inferences to the other foundations.

Chairman WALSH. In order that the great foundations should be subjected to the same regulation and afforded the same protection, would you not deem it advisable that all foundations whose activities extend to more than one State should be chartered by the Federal Government, under certain uniform requirements?

Mr. ROCKEFELLER, Sr. Well, at the present, speaking of the Rockefeller Foundation, I would feel that the interests of the public are well protected, just as we are. What the future might develop would have to be for the future.

Chairman WALSH. Do you believe that full publicity should be given to all the activities of these institutions?

Mr. ROCKEFELLER, Sr. I think it would be very well, indeed desirable, that the public should know, and that the reports should be made.

Chairman WALSH. Do you think of any definite system of public inspection that would be desirable for all foundations?

Mr. ROCKEFELLER, Sr. Well, I have not occasion to contemplate anything of that kind up to the present time.

Chairman WALSH. Have you considered the possibility, Mr. Rockefeller, of such foundations exercising an undue influence upon education?

Mr. ROCKEFELLER, Sr. I have no fear whatever in that regard. There has been nothing in my observation that has led me to have any anxieties so far.

Chairman WALSH. In your experience, Mr. Rockefeller, going back of the establishment of the foundations, from your entire experience in giving, especially to educational—well, broadly speaking, educational institutions—have you found that any persons or institutions are likely to alter or profess to alter their avowed principles or previous method of procedure, even in order to secure your gifts?

Mr. ROCKEFELLER, Sr. I have never known of anything of that kind; never heard of anything of that kind, and can not imagine of our people desiring anything of that kind.

Chairman WALSH. Is it true that colleges have given up denominational charters and removed the denominational connections in order to secure grants from any of these foundations? I am asking you now for your general experience?

Mr. ROCKEFELLER, Sr. Yes.

Chairman WALSH. Either in yours or observance of others?

Mr. ROCKEFELLER, Sr. As to ours I have no idea that that has been true; as to others I do not know.

Chairman WALSH. Mr. Carnegie mentioned the fact that some years ago, if I quote correctly, owing to a desire to give all persons an opportunity of education in certain sections, that colleges that had been known as denominational, I believe he mentioned, perhaps, a Methodist Episcopal college had given up their denominational character and gone upon a nonsectarian basis to secure funds. Was your attention ever called to any such case?

Mr. ROCKEFELLER, Sr. I do not recall that it was. I may have noticed at the time newspaper records, but I do not recall.

Chairman WALSH. I am not asking for your opinion, unless you recall the case.

Mr. ROCKEFELLER, Sr. No; I do not recall it.

Chairman WALSH. It is rather vague in my mind.

Mr. ROCKEFELLER, Sr. Yes.

Chairman WALSH. Does not the greatest power which these foundations can exercise arise out of their ability to give or to withhold money?

Mr. ROCKEFELLER, Sr. Will you kindly repeat that question?

Chairman WALSH. Does not the greatest power which these foundations could exercise arise out of their ability to give or withhold funds—money?

Mr. ROCKEFELLER, Sr. It is a great power to give. It may be equally virtuous and commendable to withhold. A great responsibility rests upon the men in that regard, the men administering the boards of trustees.

Chairman WALSH. Going back for a moment to your expressed belief in the continued integrity of trustees, of course, there have been many cases of mismanagement of mutual funds, such as was the case in the insurance companies?

Mr. ROCKEFELLER, Sr. Yes.

Chairman WALSH. Of men that had stood very high?

Mr. ROCKEFELLER, Sr. Yes.

Chairman WALSH. Of men who stood very high before the public and lost their reputations and in many cases their social life?

Mr. ROCKEFELLER, Sr. Oh, yes.

Chairman WALSH. Now, considering the experience of the past, do you conceive that there would be anything wrong about putting regulations in the constitution or these charters that might prevent any such occurrences within these bodies?



MR. ROCKEFELLER. I think that at any time that anything of that sort is made manifestly desirable by these directors—these trustees—that they would be the ones that would be glad to take any such progressive step if, indeed, it were progressive.

CHAIRMAN WALSH. That is, that it would have to come—or more properly come from the inside of the organization? Did I understand that correctly?

MR. ROCKEFELLER, Sr. Yes; at the present time, unless the legislatures had complaints to make.

CHAIRMAN WALSH. Well, in the insurance companies where it was concentrated at least to the extent of the interested persons being policyholders, did you not observe that the existence of the abuses covered many years and that it was with great difficulty that a large number of the policyholders and stockholders brought about even better conditions through legislative inquiry?

MR. ROCKEFELLER, Sr. I did not follow that insurance affair—that investigation. I do not have the details or particulars of that in my mind. I had no personal interest in it, I believe, in one way or another.

CHAIRMAN WALSH. In the answers which you have already made to the commission—in addition to them, I would like to ask a few additional questions. You say under the terms of the clause of your letter of gift you reserve this right; that is, to hold personal control of a portion of it?

MR. ROCKEFELLER, Sr. Yes.

CHAIRMAN WALSH. It is stipulated that the objects must be within the corporate purposes of the foundation?

MR. ROCKEFELLER, Sr. Yes.

CHAIRMAN WALSH. I believe that letter of gift was the paper which alone transmitted the title of this \$100,000,000 to the foundation, or was there another deed or document passed to the foundation?

MR. ROCKEFELLER, Sr. My attorney would know better about that. I should think that would be the order of the transfer.

CHAIRMAN WALSH. I think we may assume that, as we received an answer to that question from your son.

MR. ROCKEFELLER, Sr. Already?

CHAIRMAN WALSH. Yes; but I was going to ask do you consider that, in case the legislature did repeal this charter during your lifetime, the property would go back to you?

MR. ROCKEFELLER, Sr. Well, I have been so hopeful, Mr. Chairman, otherwise that I confess I have not allowed myself to worry about that. I have a great deal of confidence in this board, and I have a great deal of confidence in our American people, in their integrity, and in their good common sense, and in that is our security.

CHAIRMAN WALSH. Now, then, in case that something were to happen after your departure from this world which would cause the legislature to repeal the charter of your foundation, was it your idea in writing that letter that under those circumstances the money would go back to your heirs or to your estate?

MR. ROCKEFELLER, Sr. I think that you will find that there are provisions in the charter for the distribution of those funds by the trustees, perhaps. I think that they can distribute—if you will kindly read the question again, please.

CHAIRMAN WALSH. Will the reporter please read the question?

THE REPORTER (reading): "Now, then, in case that something were to happen after your departure from this world which would cause the legislature to repeal the charter of your foundation, was it your idea in writing that letter that under those circumstances the money would go back to your heirs or to your estate?"

MR. ROCKEFELLER, Sr. I have never thought of that question.

CHAIRMAN WALSH. Now, it has been stated, I believe, Mr. Rockefeller, that you have certain gentlemen who are your personal advisers as to your business and investments?

MR. ROCKEFELLER, Sr. Yes, Mr. Chairman.

CHAIRMAN WALSH. Those are Mr. Starr J. Murphy, Mr.—I would have you repeat them, please.

MR. ROCKEFELLER, Sr. I do not know that I could, out of hand, repeat the names of all of the gentlemen who are in such a relation. I could have a list prepared. Among the principal ones are Mr. Starr J. Murphy, my personal counsel, and my son, who has charge primarily of my affairs.

CHAIRMAN WALSH. I wish you would submit that list.

MR. ROCKEFELLER, Sr. I shall have a list prepared; and shall I in that list include, as I may well do so, also the staff of younger men who are coming on?

Chairman WALSH. Yes.

Mr. ROCKEFELLER, Sr. And by and by will take the places of these men in the more prominent positions?

Chairman WALSH. Yes; I wish you would.

Mr. ROCKEFELLER, Sr. There are quite a number of the younger men, faithful and loyal and reliable, and I think that they would naturally come along and bear an honorable place in regard to this question you speak of.

Chairman WALSH. I wish you would do that. It would be interesting and form an important part of the history.

Mr. ROCKEFELLER, Sr. I will ask to have that prepared, and, as I say, I will have included the men in my office and perhaps elsewhere who have more or less of those responsibilities.

(See Rockefeller, sr., exhibit.)

Chairman WALSH. And in doing that, Mr. Rockefeller, will you indicate, as briefly and concisely as may be, the general functions performed by these gentlemen at the present time and those which you will expect to be performed by the younger ones who are coming on?

Mr. ROCKEFELLER, Sr. I think I could give that out of hand.

Chairman WALSH. Very good; I wish you would do it, then.

Mr. ROCKEFELLER, Sr. My policy has always been to select for the lower positions—that is, for the beginning in my office staff and in the various relations—clean young men that were ambitious to improve and make their way in the world. Now, these young men steadily move up from the lowest positions as they show themselves qualified to take the highest positions.

Chairman WALSH. Is it from these gentlemen that you select your advisers?

Mr. ROCKEFELLER, Sr. They come to be good advisers. Among the list of these younger men I know some men who are quite competent to speak intelligently in regard to the affairs of business.

Chairman WALSH. How frequently do you see Mr. Murphy?

Mr. ROCKEFELLER, Sr. Well, I see Mr. Murphy, say, perhaps once or twice in a year.

Chairman WALSH. How frequently do you see Mr. Jerome D. Greene?

Mr. ROCKEFELLER, Sr. I do not see Mr. Greene—I would not naturally see Mr. Greene as often as I see Mr. Murphy, as Mr. Murphy has been now a long time in my employ.

Chairman WALSH. Mr. Greene stated that he had met you but twice in five years during one period?

Mr. ROCKEFELLER, Sr. That is probably correct.

Chairman WALSH. And Mr. Gates, who has retired shortly from your personal staff, how frequently did you see him?

Mr. ROCKEFELLER, Sr. I do not recall, of course, definitely, but periods of years run by.

Chairman WALSH. Have you seen President Eliot since he has been on the Rockefeller Foundation; have you met him?

Mr. ROCKEFELLER, Sr. I have only met President Eliot twice in my life. I have seen him once, answering your question.

Chairman WALSH. Since the foundation was instituted?

Mr. ROCKEFELLER, Sr. Yes, sir.

Chairman WALSH. Now, you are a director of the foundation; a trustee, that is?

Mr. ROCKEFELLER, Sr. I am.

Chairman WALSH. But you do not attend its meetings?

Mr. ROCKEFELLER, Sr. I have not attended any of the meetings so far.

Chairman WALSH. In so far as the personal direction you desire to give it is concerned, does that go through your son?

Mr. ROCKEFELLER, Sr. Might I ask what personal direction you refer to?

Chairman WALSH. For instance, what I am leading up to, Mr. Rockefeller, is that an inquiry has been set upon foot by this foundation into the industrial relations of the United States, and I was going to ask you whether or not that was your conception?

Mr. ROCKEFELLER, Sr. If you will be good enough to repeat the question to see if I got it straight.

Chairman WALSH. I was inquiring whether or not the personal direction that you desired to give to the foundation, if any—your personal suggestions, perhaps, I might say—came to the directors of the foundation or the executive committee through your son or Mr. Murphy or through what source?

Mr. ROCKEFELLER, Sr. I suppose it would come from them to me more than from me to them; that is to say, they are conversant with the applications;



they are conversant with the situation the world over. I do not personally follow such questions. When a great need arises I may know before action is taken. I may not know, but I have my right as a director and my voice in giving with the others—nothing different from the other directors.

Chairman WALSH. I understand, but I understood you to say that you did not attend the meetings.

Mr. ROCKEFELLER, Sr. No; I do not.

Chairman WALSH. And when you have a suggestion to make that you desire to go before the whole board how do you transmit it to the board?

Mr. ROCKEFELLER, Sr. Well, my son often speaks to me about the things they are considering, such as the hookworm or the relief in this quarter or that quarter; and if I have any expressions to make, that would be one of the ways. Or if I were to meet any of these directors or if they communicated with me by phone or any way.

Chairman WALSH. How often have you met Mr. Ivy Lee?

Mr. ROCKEFELLER, Sr. I think I have seen Mr. Lee perhaps two or three times, possibly more.

Chairman WALSH. Referring to the occasion at Tarrytown, when Messrs. Welborn and King were present, as you say, was there a discussion there of the pending trouble in the State of Colorado? I will ask you a few leading questions to bring you directly to the point.

Mr. ROCKEFELLER, Sr. I do not recall any special discussion. It was a purely a social event; it was that and nothing more.

Chairman WALSH. Was anything said there about writing the letter in answer to the suggestions of the President with reference to relieving the situation in Colorado?

Mr. ROCKEFELLER, Sr. I do not recall about that. I do not recall that there was anything of that kind.

Chairman WALSH. Had you been told prior to that visit, Mr. Rockefeller, that it was expected to employ Mr. Mackenzie King to undertake a world-wide investigation into industrial relations?

Mr. ROCKEFELLER, Sr. My son had spoken to me about Mr. King some time before this. My son had called my attention to Mr. King.

Chairman WALSH. Was there anything said upon the occasion of Mr. King meeting or being with you on this social occasion at Tarrytown with reference to his employment by the foundation?

Mr. ROCKEFELLER, Sr. Nothing whatever. It was, as I have already stated, a purely social meeting at the dinner table.

Chairman WALSH. What responsibility, Mr. Rockefeller, do you believe that directors have for labor conditions in the industry in which they are directors? I am asking that as preliminary to another question. I would ask you to please repeat what responsibility, if any, you believe the directors have for the labor conditions in the corporations which they direct?

Mr. ROCKEFELLER, Sr. I should say that the responsibilities in connection with the labor question were lodged with the officials appointed for that particular purpose, on account of their fitness for such position.

Chairman WALSH. Do you believe that constant reports should be made to boards of directors as to the conditions of labor, so that they may take them up as directors prior to the actual outbreak of labor difficulties?

Mr. ROCKEFELLER, Sr. Well, Mr. Chairman, I think I could not enter into that question. I am not upon any of these business boards and have not been for long years.

Chairman WALSH. From your experience as an active business man and manufacturer, what would you say as to the desirability and right of workingmen to form themselves into organizations for what they deem to be their own protection and advancement?

Mr. ROCKEFELLER, Sr. I would accord to all men the right to organize themselves—the workingmen and the business men as well—with the proper limitations in respect to safeguarding the interests of the public or parties concerned.

Chairman WALSH. I want to direct your attention to a question that has been asked frequently of witnesses—and much has been said about it—to this effect. I will try to state it as concisely as possible, although it is a question that is somewhat broad, necessarily. After an industry has been organized to the extent that it can be controlled—that is, by one man or one group of men acting harmoniously and in concert—would it be possible, out of the potential profits of that institution, to increase wages to such an extent as to raise the economic

level of all the workers in industry and relieve the necessity of extending charity, especially of those in it? Did I make myself plain, Mr. Rockefeller?

MR. ROCKEFELLER, Sr. In part, and perhaps in all. I believe the best way to help the laboring man is to give them steady work and wages which they can earn—fair wages. I believe that that is better than any and all of the charities. And I believe that the good laboring men would prefer to have the labor and their honorable position rather than to have any charity.

CHAIRMAN WALSH. It has been stated, and I will restate to you as briefly as I can, and ask for your opinion. Of course, what I say, you will understand, I say without any personal reference.

MR. ROCKEFELLER, Sr. Oh, yes.

CHAIRMAN WALSH. Or desire to offend. It has been stated many times that it might be better for persons controlling very large industries, instead of devoting the excess profits to the dispensation of money along philanthropic and eleemosynary lines, that they should organize some system by which they could distribute it in wages first hand, or give to the workers a greater share of the productivity of the industry in the first place. Now, as one of the great givers of the world, Mr. Rockefeller, I will ask you kindly to comment upon that statement.

MR. ROCKEFELLER, Sr. I will be very happy to see the laborers gradually become the owners of these same prosperous businesses to which you refer. I should be only too happy to surrender my holdings, in part, in any or all, that the laborers might come into the relation to the enterprise and have their representation on the boards of directors, according to their ownership, just the same as all other shareholders.

CHAIRMAN WALSH. I want to read you—

MR. ROCKEFELLER, Sr. (continuing). Thus giving them the profits to which you referred, giving them in addition to their labor these handsome profits which you are having in mind. I should be very happy to have them get those profits, and feel that they were my partners.

CHAIRMAN WALSH. Have you thought of any plan by which this transfer could be made?

MR. ROCKEFELLER, Sr. The transfer of stock?

CHAIRMAN WALSH. Yes; the transfer of stock or the transfer of ownership, that would thus give the profits to the workers in greater share?

MR. ROCKEFELLER, Sr. Yes; that has been practiced in different institutions for long years. The processes, of course, are very different, Mr. Chairman. The man who has his money to pay for one share or more simply receives his share—he is already a member of the firm, one of the shareholders. And then he gets his two shares and three, and so on. Thus he is entitled to know all the ins and outs of the affairs of business.

CHAIRMAN WALSH. Without going into the details, did you read the grievances of the miners of Colorado addressed to the executive officers of the Colorado Fuel & Iron Co., Mr. Rockefeller?

MR. ROCKEFELLER, Sr. I did not go into those questions of detail, and they were far beyond my reach.

CHAIRMAN WALSH. Did you read the grievances of the workmen in the mines of the Colorado Fuel & Iron Co. addressed to the executive officers of that company in 1903?

MR. ROCKEFELLER, Sr. Oh, no; I have no recollection of any of those old conditions. I was a new investor at that time in this enterprise. I had just joined with some other friends, and we saved the enterprise at about that time from bankruptcy by putting in large additional capital. I have no recollection of that.

CHAIRMAN WALSH. Have you ever been advised of the claims of the working-men in any of these industries in which you are a large investor?

MR. ROCKEFELLER, Sr. No, sir. That would not come to me. That would be a matter of detail that would come to the proper officials.

CHAIRMAN WALSH. Your statement that in proper limitations, wise ones, that both the owners of industry and the workmen should be allowed to organize, is based upon your experience, I believe you stated, as a business man.

MR. ROCKEFELLER, Sr. I would not ask any privilege or right for myself that I would not accord to the humblest man. I have always stood right there.

CHAIRMAN WALSH. I will read you, Mr. Rockefeller, from the Congressional Record, covering the hearing of the subcommittee on mines and mining, before following up the testimony, being the testimony of your son:



"I have been so greatly interested in the matter, and have such a warm sympathy for this very large number of men that work for us, that I should be the last one to surrender the liberty under which they have been working and the conditions which to them have been entirely satisfactory, to give up that liberty and accept dictation from those outside who have no interest in them or in the company. We believe that the issue is not a local one in Colorado; it is a national issue, whether workers shall be allowed to work under such conditions as they may choose. And as part owners of the property our interest in the laboring men in this country is so immense, so deep, so profound, that we stand ready to lose every cent we put in that company rather than see the men we have employed thrown out of work and have imposed upon them conditions which are not of their seeking and which neither they nor we can see are in our interest. There is just one thing, Mr. Chairman, so far as I understand it, which can be done, as things are at present, to settle this strike, and that is to unionize the camp; and our interest in labor is so profound and we believe so sincerely that that interest demands that the camp shall be an open camp; that we expect to stand by the officers at any cost. It is not an accident that this is our position. Rather than allow outside people to come in and interfere with employees who are thoroughly satisfied with fair labor conditions—it was upon a similar principle that the War of the Revolution was carried on. It is a great national issue of the most vital kind."

Considering now that the outside persons who came in were the organizers of a union which existed in the mining place of the company, would you say that that is your position?

MR. ROCKEFELLER, Sr. Well, I feel decidedly that the employer must stand by his loyal men. He can not be treacherous to those men who render service faithful in their duties; and by all means, the employer should stand by his faithful employees.

CHAIRMAN WALSH. Is that all you care to say on the subject? That was quite a long statement, and especially is that your position, or would that be a fair way to ask you to state it?

MR. ROCKEFELLER, Sr. I would say by all means the employer must not disregard the rights and claims of his employees.

CHAIRMAN WALSH. That is all. Thank you, Mr. Rockefeller. We thank you very much.

MR. ROCKEFELLER, Sr. I thank you.

CHAIRMAN WALSH. You may be permanently excused.

MR. ROCKEFELLER, Sr. Thank you.

MR. LINDBERGH.

#### TESTIMONY OF HON. CHARLES A. LINDBERGH.

CHAIRMAN WALSH. Kindly be seated.

CONGRESSMAN LINDBERGH. Mr. Chairman, in order to have this as brief as possible, I have written the matter as briefly as I could present it.

CHAIRMAN WALSH. That was very thoughtful. What is your name please?

CONGRESSMAN LINDBERGH. Charles A. Lindbergh.

CHAIRMAN WALSH. And your residence?

CONGRESSMAN LINDBERGH. My residence is Little Falls, Minn.

CHAIRMAN WALSH. And your business or profession?

CONGRESSMAN LINDBERGH. I have practiced law in the past and farmed.

CHAIRMAN WALSH. What official position do you hold in the Government of the United States?

CONGRESSMAN LINDBERGH. I am a Member of Congress from the sixth district of my State.

CHAIRMAN WALSH. That is of Minnesota, the sixth district of Minnesota?

CONGRESSMAN LINDBERGH. Yes.

CHAIRMAN WALSH. We have been informed that you have given a great deal of study to the question of cost and prices?

CONGRESSMAN LINDBERGH. I have.

CHAIRMAN WALSH. With reference to industrial conditions?

CONGRESSMAN LINDBERGH. I have so.

CHAIRMAN WALSH. Have you been kind enough to prepare that in concise form that you might read?

CONGRESSMAN LINDBERGH. I have.

CHAIRMAN WALSH. I wish you would kindly do so.

We must have perfect order ladies and gentlemen.

Congressman LINDBERGH. I realize that any report made by your commission will have the respectful consideration of the country, and therefore ask your review of certain facts, which I wish to present briefly.

"INCREASING COSTS AND SUGGESTIONS FOR A REMEDY.

"Legislatures and courts, as well as Congress, have an established rule that so-called vested property, when employed, is entitled to a so-called fair return. The enforced rule bears no relation to what men and women receive or should receive for their work in creating and conserving vested property, but corresponds somewhat with the results secured by speculators who make great profits from their respective schemes for scalping from the products of labor. The farmer, as well as the wageworker, whether mental or manual, strive year in and year out to secure success, each working his life out; but no rule was ever fixed by any legislature, Congress, or the courts that would enforce in favor of these toilers a fair return for creating the very property to which the vested rights privileges attaches. On the contrary, the rule of reasonable return established in favor of vested property when employed absolutely precludes and makes impossible a fair return to farmers, wage and salary workers. If any controversy arises as to what the farmer or wageworker should receive, the price is fixed at what others in his class receive for the same thing, which price has originally been made by the privileged class; that is, by the capitalists, and it bears no relation either to the cost of living, the cost of production, nor to its true relative service to mankind.

"No permanent reduction in the cost of living in favor of the masses can be secured as long as there is no relative rule for fixing a reasonable return for farm or other products and for labor, as compared with the so-called reasonable return for capital. The rule of reasonable return as applied—that is, the net profit, required to satisfy capital, does not change materially. It is the same now as it was for the years past, and as it is intended by the capitalist it shall continue on into the future. When the wageworker gets increased wages the employer adds the increase to the sale price of the goods the employee produces or the services he renders. If the employer did not, it would interfere with his so-called reasonable return, which it seems is a privilege regarded by legislatures and courts, as well as by Congress, as more sacred than human life. So, too, if the farmer gets more for his farm product, those who buy in just so far as they can, and if it is a special interest it can add the additional cost to the finished product and make the final consumer pay it. As a result this added cost is charged back to the farmers and wageworkers in the price they pay for the goods and the service that they must buy. Now, let us consider how the prices are continually marked up.

"VESTED PROPERTY WITH SPECIAL PRIVILEGE.

"With each additional year there is a greater amount of centralized accumulated property carrying to its possessors the special privilege of collecting reasonable profit for its use. Right there is the kernel in the nut; that is, it is the underlying reason—the fundamental cause of the increasing prices, and prevents a proper reduction of the hours of labor for the toilers.

"The interest, dividends, and profits that have been accumulated from past speculation are enormous, and they are multiplying annually. To comprehend this we must deal in concrete facts. There is over \$100,000,000,000, including all kinds of property and debts owed by corporations and others, upon which the public is forced to pay interest, dividends, and profits, or what may be termed 'income property,' and to support and pay that, and also its further accumulation, the helpless masses of humanity are struggling to meet the payment of the reasonable profit upon this huge and constantly increasing sum.

"Including all ways in vogue to fleece the toilers it is understating rather than overstating to say that the profit averages not less than 7 per cent above expenses, and 3 per cent more may safely be added without overestimating it, as the cost and expenses, including upkeep, or a total of not less than 10 per cent. That is, there is an annual charge of more than \$10,000,000,000 exacted from the toilers.

"I do not claim that those figures are absolutely accurate, for the exact amount can not be secured, but I do claim, and every careful student of the subject knows, that they are not exaggerated, and, in fact, are below the actual amount. They do, however, fairly demonstrate the principle I wish



to make clear, which is, that the cost to the people of supporting the so-called rule of reasonable return for the use of capital, as it is applied in business and supported by law and practice, means that the toilers upon farms, in shops, and elsewhere, mental and manual, are forced to pay in a single year over \$10,000,000,000, with the certainty that it will increase annually as long as the present rule and practice prevails. It is an actual tax upon the toilers to support and accumulate capital for the capitalists. It averages more than \$100 for every man, woman, and child, and is increasing yearly in proportion to the increase of vested property employed in business.

“THE ENORMITY OF THE THING.

“This \$100,000,000,000 upon which more than \$10,000,000,000 is collected yearly, is owned by a comparatively few persons, and the courts decree and society accepts that when it is employed, as all this is supposed to be, it is entitled to a reasonable return above the cost of upkeep. There certainly are not to exceed 30,000,000 people who do any useful work, and upon them the entire burden rests. That makes an equivalent of \$333 for each worker. Thus a man who is paid \$600 annually for his labor or farm product, and his wife who works at home, have had their wages, or the income for farm products reduced, and the price of what they must buy increased, in order to contribute \$666 as a reasonable return for the use of capital.

“I deny that the charge called reasonable return now made by the capitalists and supported by the courts as such, is in fact reasonable; but I admit that under the present system a charge for the use of capital is necessary in order to secure its employment. The Government charge to the banks is from 2 per cent to 3 per cent, and for good measure we will calculate on a basis of 4 per cent, which a few banks pay to a few depositors. On that basis the husband and wife depending upon a present income of \$600 would, if only 4 per cent were charged for the maintenance of a reasonable income to capital, have their income increased by additional wages and by a saving upon purchases, working for the two an aggregate of six-tenths or \$400. But even 4 per cent is unreasonable, for we must not forget that the \$100,000,000,000 upon which the reasonable profit is being collected is in part the sweat money—that is, the accumulated, so-called reasonable profit taken from the toilers of the past.

“Take as an example the case of a skilled workman employed in a plow factory capitalized at \$500,000, upon which the stockholders get 7 per cent dividend, while owing a bonded debt of \$200,000, with an annual interest charge of 6 per cent upon that. To meet the dividend and interest would require \$47,000 above the expenses of upkeep. That \$47,000 would come from the profits on the sale of plows. In order to meet this payment the profits must be made as large as possible, not only to meet the dividends, interest, and expenses, but to accumulate a surplus, as well as a provision against future emergencies, which is the common practice. This is exactly the situation which creates the trouble in all cases. It causes the low wage to the employees in the factories and elsewhere, and high prices the purchasers pay for the goods, and as a result increases the profits with which to pay for the use of capital. It is not all deducted from the wageworker's pay. He is already chafing under the injustice of his meager pay, but under the rule, the profit must be made up. Therefore it is accomplished, in part, by keeping the workmen's wages below the actual value of his service and by tacking the rest onto the consumer's cost; and since the toilers themselves are also consumers, they get the worst of it both ‘going and coming.’

“Your honorable commission will quickly see the problem presented. With the enormous accumulations of property now in the possession of the few, resulting, as it does, in a continually increasing capital upon which to compute the so-called reasonable return, it is certain that we are facing the impossible; that the masses are doomed to be more and more completely crushed and weighted to exhaustion, and that it can not be avoided except by resort to socialism, or by the adoption of a new rule by which the reasonable requirements of humanity will also be measured in connection with the so-called reasonable return for the benefit of vested property—that is, that vested property shall not carry to its owners the privilege of shackling the toiling millions with the burden of paying the tribute of what now is and has been enforced as the so-called reasonable return. The plain producer—the toilers everywhere must have a truly reasonable return for their services, which is, after all, the

principal part of the world's requirements. The pay return of farmers, employees, and capitalists should be relative to their importance. The pay of the workers should not be encumbered with a charge such as that which I have described in favor of capital.

"Already the capital holdings upon which the toilers are forced to pay annual interest, dividends, and profits, averages more than \$1,000 per capita. That is equal to more than \$5,000 for each average family of five persons in the United States.

"Permit me to say that when the heads of the family once comprehend the fact that for each member of the family, as well as for himself, he owes a debt which he did not contract, but which nevertheless is annually increasing by force of this rule which I have described and is forced to pay interest, dividends, and profits for each member of the family be it large or small, and of the fact that upon their children and their children's children the debt will double and treble, as it must if the rule prevails in the future as it has in the past, I repeat, they will rise, and justly so, in rebellion against the system, and a new form of government will be established. If this is to be avoided, a reformed system will have to be installed to do justice to those who toil in all the useful industries that supply the needs of mankind. The rule of reasonable return can not much longer be exclusively applied for the benefit of capital.

"The other causes for the high cost of living are incidental to the one which I have presented. I shall not encumber you with a discussion of them. I wish, however, to make a few general observations before suggesting a remedy.

#### "THE RESULT OF THE SO-CALLED REASONABLE PROFIT.

"The rule as practiced has enabled greed, unobstructed, to appropriate the transportation systems, the most rapid systems of communication—telegraph and telephone—the forests, the valuable minerals, the water powers, the valuable patents, and the other most valuable agencies to mankind. The rule itself, as practiced, is sure to give capital the advantage which I have shown, but to facilitate its execution with the least delay and bring it to its most effective energy in behalf of capitalists, the banking and currency system has been made the agency of its hugest and most rapid accomplishment.

#### "THE MONOPOLY OF MONEY AND CREDIT.

"The people have now on deposit in the banks \$19,100,000,000, on about half of which they receive no interest, and on the other half from 2 per cent to 4 per cent or approximately \$285,000,000. But the banks have loaned more than 90 per cent of the \$19,100,000,000 at from 6 per cent to 10 per cent—frequently more. In 1915 they will collect directly from the borrowers about \$1,000,000,000 more than they pay for the deposits. In other words, the people take to the banks the \$19,100,000,000 and get \$285,000,000 from the banks for its use. But the banks collect from borrowers \$1,285,000,000 which will be added to the price of the goods and services that the people must buy. In addition to these there is also the accumulated billions that the banks have collected in previous years for their stockholders, which is their vested property, and upon which those who save it collect the so-called reasonable return.

"The banks control the use of the \$19,100,000,000 that belongs to the depositors and can loan it or withhold it as they please and loan to whom they please. It does not belong to them but they use it as they please. Because of that fact it is loaned in such manner and to such parties that the largest borrowers, who usually control the banks, get a decided advantage over all others and make several times greater profit out of the schemes into which they enter than the direct dividends that the banks pay to the stockholders. In other words, the bankers have a monopoly of the money and credit, which, as I stated, is the instrument for speeding up the absolute control of all property for the benefit of the capitalists.

#### "THE REMEDY LIKELY TO BE FIRST APPLIED.

"As I have already stated, there are two remedies that can be applied. One is pure socialism, which the people generally have refused to accept. The other is the one which I am explaining. It is to take from the banks the exclusive privilege of controlling the money and credit, which they have by Gov-



ernment authority. The interest to borrowers must be reduced to at least as low a rate as that now paid by the banks to the Government.

"An attempt will be made to fool the people by reducing the rate of interest in some cases. That will, in a measure, help the individual borrower whose interest is reduced, but the reduction will be accomplished by expanding credits, so that while the banks will collect less interest on a dollar they will collect interest on more dollars, thus preventing a reduction in the aggregate amount of interest paid. The public will find that it costs as much to pay interest, dividends, profits, and upkeep on \$200,000,000,000 at 6 per cent as to pay 10 per cent on \$120,000,000,000. Under our present system one or the other of those positions will develop very soon. I am referring to the process rather than the exact figures. The owners of the great banks, through their banks, having received from the Government the exclusive privilege to monopolize money and credit, will not care which way they do it, as long as they can force the public to pay as much or more than it has been paying. If the Government instead of private individuals got the interest and paid it out for annual expenses, we would not have the present accumulation of vested property in favor of a few who are permitted thereby to levy tribute to secure what they term a reasonable profit.

"The Government itself, so far as practicable, should collect the interest in lieu of taxes. There must be organization of all the useful industries in order that they may be financed by the Government as the banks are. This can be accomplished practically the same way as the organization of the banks was. The farmers, the transportation companies, the home builders, the manufacturers, and the municipalities, all should organize. To them all the Government must extend privileges such as are now given exclusively to the banks. To facilitate this great work and aid in securing the means, the postal-savings banks must be opened to all depositors for the acceptance of checks, money, and evidences of credit to aid in financing, not exclusively the banks, but all useful industries and enterprises which under the present system are burdened with the shackles of usury.

"Many are turning to the Socialist Party for a remedy, but the Socialists, I believe, do not claim that their proposed remedy could be put in full operation for a long time. If the Government will extend to all legitimate enterprise the use of the public credit, such as that which it has given exclusively to the banks, I am certain that more than half of our troubles about the high cost of living would be cured. Please understand me—I do not suggest taking from the banks all privileges of doing business, but I do maintain that bankers should have no exclusive privileges. The banks should be made our servants instead of our masters, and receive compensation as servants, for the value of their services only. This can be accomplished most quickly in a nonpartisan way. The remedy can be applied without hindering the enthusiastic office-seekers, proceeding as before in the name of their several political parties in an alleged attempt to bring about the millenium. As long as the progressive Republicans, the progressive Democrats, the progressive Progressives, and the progressive Socialists, and others, are divided into groups hostile to each other, the cause of humanity will progress slowly; for the reactionaries in all the parties are consistent and upon all problems vital to them which require their cooperation they stand together and act as a unit. It may be jealousy among the officeholders and those seeking office that keeps the progressives in all parties from acting together. But it does seem that jealousy should not exist among the voters, because their individual material interests are identical. It is the identity of material interest that ties the special interests together for united action to maintain control; but the material interest of the plain people to cooperate to prevent the special interests from having control and taking all in sight does not seem to work by the same rule. The plain people hurrah for the party and let the interests run away with the goods.

"Your honorable commission understands full well the significance of the main problem I have presented. If you broadcast its substance to the people, which the means placed by Congress in your charge enables you to successfully do, the people of this country will soon control legislatures and Congress, and a remedy will be forthcoming which will stop the increasing prices and give to the toiler less hours of toil and more of the substance that will supply them with the conveniences and demands of an honest and intelligent citizenship. It is merely a question of getting the right understanding home to the toilers on the farm, in the shop, stores, offices, on the railways, and elsewhere. Let these understand, and the manhood and womanhood of the citizenship of

this naturally great country of ours will respond to its grandest opportunities. This is the people's country, and the men and women of this country should run it for themselves and their posterity instead of, as now, ignominiously submitting to a policy enforced in practice which makes of them the slaves of usury."

Now, having closed my written statement, I wish to add verbally that what I have stated is the main proposition I have desired to call your attention to. And, Mr. Chairman and gentlemen, I want to call your attention also to a report of the Secretary of the Treasury. This report is dated February 2. You will find on that date the Government of the United States had deposited with the banks something over \$71,000,000. It has been for the most of the time in the last six months about \$80,000,000, but suppose we call it \$70,000,000. Upon that sum the banks are paying to the Government 2 per cent. As a matter of fact the banks are collecting directly for their own benefit 6 per cent approximately upon this \$70,000,000, which you will see is 4 per cent in addition to what they are paying the Government; and therefore there is an indirect tax for the benefit of the banks which is added to the commodities and the prices which we are paying for our common necessities of this difference between 2 per cent and 6 per cent. But that is not all.

You know, as a matter of fact, that the total amount of money in the banks is about \$1,700,000,000, and that by the process of banking it has been expanded so that the banks now have on deposit and are owing to depositors \$19,100,000,000. The \$1,700,000,000 has been expanded more than ten times in the form of credit. Now, this \$70,000,000 which the Government has on deposit in the banks; that is, taken from the Government Treasury, is also expanded by a like process. Therefore, instead of the bankers collecting interest upon this \$70,000,000 alone, they are collecting interest also upon a large amount of credit that is established by virtue of this \$70,000,000. That, I say, in regard to the general bank deposits, was multiplied more than 10 times. We will not assume that they have been able to multiply it more than 10 times in the case of the Government deposits, because the Government may draw upon the banks at any time for this sum. But they have increased and expanded the credits they are given by virtue of that \$70,000,000 to a very large extent; and on that account the banks are collecting many millions of dollars in the way of interest and profit above that which is directly collected by them upon the \$70,000,000. This, too, is, in effect, a tax upon the people generally.

Now, the proposition I am making to you is this: That there has got to be some measure of a reasonable return, which is comparative, reasonably favoring property in the one case, but not losing sight in the other case of the toilers of this country, whether on the farm or elsewhere. You have got to consider the two together; and instead of the courts going on in the future and legislatures and Congress itself doing likewise, and measuring a reasonable return to capital upon the basis of what it can earn in speculation, it must be done with regard to what the toilers themselves are getting. So that both the toilers and the capitalists, as long as this system is followed out, will receive proportionately a fair return for the services that are rendered in the one case by the employment of capital and in the other case by the laborer.

Now, that is the particular problem that I have wished to call your attention to, and I do not think I need to take any more of your time. Of course, I am glad to submit to any questions you may wish to ask.

Chairman WALSH. I think, as far as I am concerned, that states it very concisely and well; and we will be glad to make that a part of our record, and if we issue a bulletin, to put it in the record.

Mr. Lennon says he was convinced of that a long time ago.

Congressman LINDBERGH. I thank you, gentlemen, very much.

Chairman WALSH. We thank you very much, Mr. Lindbergh, and we are sorry, in behalf of the commission, that we could not have given you a better place in the program; but we are limited in time.

Mr. LINDBERGH. That is perfectly satisfactory to me. I wished simply to get the facts before the commission so that you may have them in your proceedings.

Chairman WALSH. Very well.

At this time the commission will stand adjourned until to-morrow morning at 10 o'clock.

(Thereupon, at 4.45 o'clock p. m., Friday, February 5, 1915, an adjournment was taken until Saturday, February 6, 1915, at 10 o'clock a. m., at the same place.)



NEW YORK CITY, February 6, 1915—10 a. m.

Present: Chairman WALSH, Commissioners O'Connell, Lennon, Garretson, Ballard, and Commons.

Chairman WALSH. Frederick A. Cleveland. Is Mr. Cleveland here? Please take the stand.

# TESTIMONY OF MR. FREDERICK A. CLEVELAND.

Chairman WALSH. Please state your name.

Mr. CLEVELAND. Frederick A. Cleveland.

Chairman WALSH. Where do you reside?

Mr. CLEVELAND. In New York City.

Chairman WALSH. What is your business?

Mr. CLEVELAND. Director of the bureau of municipal research.

Chairman WALSH. Director of the bureau of municipal research?

Mr. CLEVELAND. Yes, sir.

Chairman WALSH. The commission received a letter from you, Mr. Cleveland, under date of the 2d, stating that there had been injected into the proceedings of the commission statements that reflected on the integrity and professional character of yourself and associates in the bureau of municipal research by Dr. Allen. First, what are the statements that were injected into the hearing and reflected on the integrity of yourself and associates?

Mr. CLEVELAND. May I read the letter, Mr. Chairman?

Chairman WALSH. May you read what letter?

Mr. CLEVELAND. The letter to which you refer.

Chairman WALSH. I will certainly allow you to. You mean the whole letter?

Mr. CLEVELAND. No; the half page of the letter.

Chairman WALSH. To which you refer?

Mr. CLEVELAND. Yes.

Chairman WALSH. You may read the whole letter if you care to; that is, the letter from which I just quoted, you mean?

Mr. CLEVELAND. The reason I ask is because it was not quoted, and this statement of my request, if I may read the letter, I think we will get it before us.

Chairman WALSH. Very good.

Mr. CLEVELAND (reads):

"Hon. FRANK P. WALSH,

*"Chairman Industrial Relations Commission, New York City.*

"DEAR SIR: Mr. William H. Allen, who is employed by your commission, has issued to the public, and there has been injected into the proceedings of your commission, statements that reflect on the integrity and professional character of myself and my associates in the bureau of municipal research. I therefore ask that you incorporate the inclosed statement of facts in the record of your commission, and in order that there may be no grounds for the charge of misrepresentation or unfairness, I ask that I may be sworn as a witness before the commission under oath. A copy of this request is already sent to each member of the commission.

"Very truly, yours."

Chairman WALSH. You do not mean to say that I made a misstatement, but that I did not read the whole letter?

Mr. CLEVELAND. I mean to say that the statement of the chairman was that the letter alleged that there had been injected into the proceedings of your commission statements that reflected on the personal integrity and professional character of myself by Dr. Allen.

Chairman WALSH. And your associates in the bureau of municipal research?

Mr. CLEVELAND. But by Dr. Allen; I made no such claim.

Chairman WALSH. You mean to say that Dr. Allen did not inject those statements into the record?

Mr. CLEVELAND. As far as I know he did not, but that he is employed by your commission.

Chairman WALSH. What I meant to ask you at first and ask you again is, What has been injected into the proceedings of this commission in the form of statements, first, that reflect on your integrity?

Mr. CLEVELAND. I assume that you wish to have me state in brief and characterize it rather than attempt to go back to the record and pick out the particular thing?

Chairman WALSH. Certainly. I would not have you go back to the record, but state what has been injected into the proceedings of the commission that you say reflects upon your integrity.

Mr. CLEVELAND. I understand that what are called the large foundations are being inquired into by your commission; that Mr. William H. Allen, formerly a director of the bureau of municipal research, has been made a special agent of the commission for this purpose; that the forms of questions asked by Mr. Allen and your commission are such as to be tantamount to the charge that the power to subsidize has been used to influence the activities and ideals of scientific, educational, and philanthropic agencies.

Now, so far, we have no greater or different status than any other citizen in this industry; but I also understand that the bureau of municipal research has been pointed to as an example, and the manner of inquiry has been such as to be tantamount to the charge that the bureau of municipal research has been subverted by the influence and the conditional gifts of Mr. Rockefeller and the Rockefeller Foundation; that as a protest against such influence Mr. Allen resigned as director from the bureau of municipal research.

Chairman WALSH. Who said that; you mean that was implied in the question?

Mr. CLEVELAND. Yes; I mean—and stated by Dr. Allen when in the employ of this commission to the public press——

Chairman WALSH (interrupting). Please first confine yourself to anything that has been injected into the proceedings in the way of statements that reflect on your integrity.

Mr. CLEVELAND. The form of the questions so far as I have heard them.

Chairman WALSH. Please indicate the questions that reflect upon your integrity.

Mr. CLEVELAND. It would be necessary for me to have a copy of the proceedings before me and time given to indicate them.

Chairman WALSH. Have you heard any one question?

Mr. CLEVELAND. I have.

Chairman WALSH. What?

Mr. CLEVELAND. I heard a part of the testimony of Mr. Cutting while under examination by this commission.

Chairman WALSH. What was the question that reflected on your integrity that was asked of Mr. Cutting by the chairman or any member of this commission?

Mr. CLEVELAND. I can not refer to it by the page for the exact wording of the question.

Chairman WALSH. Give the substance of it.

Mr. CLEVELAND. There was a large number of them that could have no other purpose than to indicate that the purpose of the question was to bring out an undue influence exercised on the part of Mr. Rockefeller and that Mr. Allen had resigned as a protest against that influence.

Chairman WALSH. Give the substance of one question asked of Mr. Cutting or any person else that you claim now reflects upon your integrity?

Mr. CLEVELAND. My claim is this, that the import of all such questions reflected on the integrity of myself and my associates.

Chairman WALSH. Would you call this question a reflection upon your integrity if I asked Mr. Cutting whether or not he obtained \$20,000 from John D. Rockefeller, jr., under conditions that he would change certain of the procedures of the bureau of municipal research; would you call that a reflection upon your integrity?

Mr. CLEVELAND. I should say that the use of such a question in an ex parte proceeding may be so used and, as I read the record, was so used.

Chairman WALSH. If you wanted to inquire into that, how would you inquire into it except by asking the question?

Mr. CLEVELAND. During any ex parte proceeding there is only part of the story brought out; that is the substance of my protest.

Chairman WALSH. And is that the substance of your claim, that statements were injected into the proceedings of the commission that reflected on your integrity?

Mr. CLEVELAND. The substance of the claim is, as I have stated, that the whole implication, if not the charge which has been made by Mr. Allen to the public press while in the employ of this commission through those questions, that those of us who are in the employ of the municipal bureau of research have been bought up for \$20,000 and are simply acting as cat's-paws for the Rockefeller



Foundation. That I consider a reflection on our integrity and professional character.

Chairman WALSH. Certainly; if you think you have been called a cat's-paw, it would be a very degrading reflection and would be a reflection, but I am trying to find out now wherein there was even any question asked that you say was a reflection upon your integrity.

Mr. CLEVELAND. I will be very glad to go over the record, if I may be supplied with a copy, and mark such things for your information as seem to carry that implication.

Chairman WALSH. I have supposed that inasmuch as you had written this letter that when you were placed upon the witness stand you would be ready to state what reflection was made upon your character and integrity.

Mr. CLEVELAND. I had assumed when I came here that it would not be necessary to read into the record the things that were already in the record.

Chairman WALSH. But perhaps you have made other assumptions in which you will be disappointed?

Mr. CLEVELAND. Possibly.

Chairman WALSH. If you are not able to give us that now, I wish you would take from this record the questions asked any witness which you claim implied a reflection upon your integrity.

Mr. CLEVELAND. I would be very glad to. I will not ask you to produce, for instance, a question that was directly asked by Prof. Commons as to whether or not the \$20,000 which was agreed to be given at a luncheon at which Mr. Cutting and Morawetz were in attendance did not influence the bureau of municipal research in changing certain of its policies, because that question was asked for the purpose of ascertaining whether or not that was true, and Mr. Cutting made his statement which, of course, will have to be analyzed and weighed and passed upon finally by the whole commission.

Chairman WALSH. Now, I wish you would describe what you have said about any alleged injection into the proceedings of anything that reflected upon your integrity, and please state what public statement Dr. W. H. Allen has made since he was an investigator and an assistant of this commission which reflected upon your integrity.

Mr. CLEVELAND. I will be glad to submit to you a list of those things, as gotten from the public press. I have not them at present. I was not served with notice until late last night to come here, and the staff in the office that has had charge of preparing the data for this hearing, in compliance with your former request, were all delayed until just the time of the hearing on account of the Rapid Transit tie-up.

Chairman WALSH. Please indicate the substance of any statement you had in your mind that was made by Dr. Allen since he has been an assistant to this commission which reflects upon your integrity, and refer to the statement.

Mr. CLEVELAND. That he resigned from the bureau of municipal research protesting against the undue influence of John D. Rockefeller and of the Rockefeller Foundation.

Chairman WALSH. Where did that appear since he has been an assistant to this commission?

Mr. CLEVELAND. It has appeared in the public prints, and it has appeared, as I have been informed, in many conversations with people.

Chairman WALSH. First, in what public prints did that appear since Dr. Allen has been an assistant of this commission? What paper?

Mr. CLEVELAND. In the public press of the city of New York. I will be very glad to furnish you the clippings on such things as refer—

Chairman WALSH. Do you remember any paper it was in? We might get it ourselves while we are examining you.

Mr. CLEVELAND. As I recall, the American or the Journal had some such statement in it—I would not be specific until I have a chance—

Chairman WALSH (interrupting). Attributed to Dr. Allen?

Mr. CLEVELAND. Attributed to Dr. Allen, as I recall.

Chairman WALSH. The Journal or the American. Now, do you recall any other papers had any statement attributed to Dr. Allen that reflected upon your integrity?

Mr. CLEVELAND. I would not care to answer without having an opportunity to go through my clippings.

Chairman WALSH. What is the approximate date of this paper which has caused you to make this statement here on the witness stand?

Mr. CLEVELAND. Since the commission has begun its activities in inquiring into the foundations.

Chairman WALSH. Now, just indicate the name of the persons to whom Dr. Allen, since he has been an assistant to this commission, has made statements which are deemed to be a reflection upon your integrity.

Mr. CLEVELAND. I don't know that I care to.

Chairman WALSH. Well, you ought not to do it anonymously, Mr. Cleveland, do you think?

Mr. CLEVELAND. Beg pardon?

Chairman WALSH. I say, you should not care to clothe that in anonymity, should you? Now, if you say Dr. Allen has stated something that reflected upon your integrity to certain persons, do you think that you should not give this commission the names of those persons?

Mr. CLEVELAND. I think that is a question that should be asked Dr. Allen and—

Chairman WALSH (interrupting). I now ask it of you, inasmuch as you have stated publicly before this commission that Dr. Allen has made statements to individuals reflecting upon your integrity since he has been an assistant of this commission, that you give the names of those persons, if you have any such.

Mr. CLEVELAND. I can only say that it has been so stated to me.

Chairman WALSH. By Dr. Allen?

Mr. CLEVELAND. Not by Dr. Allen.

Chairman WALSH. By whom?

Mr. CLEVELAND. By persons who said they had talked with Dr. Allen.

Chairman WALSH. Who are they?

Mr. CLEVELAND. I don't care to give their names.

Chairman WALSH. Give the name of one of them.

Mr. CLEVELAND. I would prefer not to give such names.

Chairman WALSH. Why?

Mr. CLEVELAND. Because it would be—my testimony in that respect would not be more than hearsay.

Chairman WALSH. Wouldn't you call that mere scandal mongering, if you claim he made the statements and you can not give the names of the persons who claim they made them?

Mr. CLEVELAND. I should say there has been a great deal of that here so far in these charges and implications with respect to the bureau.

Chairman WALSH. Were they ladies or gentlemen?

Mr. CLEVELAND. I don't care to suggest.

Chairman WALSH. Did they live in New York or elsewhere?

Mr. CLEVELAND. In New York.

Chairman WALSH. Did they say they did not want their names known?

Mr. CLEVELAND. They did not give me to understand that it was the purpose of having them publicly interrogated.

Chairman WALSH. Are they members of the bureau of municipal research, any of them, or on your staff?

Mr. CLEVELAND. They are not.

Chairman WALSH. Are they members of any organizations that derive their funds from the same source?

Mr. CLEVELAND. So far as I know, they were not.

Chairman WALSH. They, of course, are persons of standing and respectability?

Mr. CLEVELAND. I so consider them.

Chairman WALSH. And they did not say they did not want their names mentioned?

Mr. CLEVELAND. No.

Chairman WALSH. Now, with reference to your request that we incorporate the statement of facts in the record of the commission, I would say that that will be complied with. It will be so incorporated. With respect to the request that you be sworn as a witness and examined under oath, that request will have to be denied. The policy of the commission is not to swear witnesses.

Mr. CLEVELAND. Very good.

Chairman WALSH. The letter that was served upon you last night contained a paragraph as follows [reading]:

"The commission desires you should come prepared to tell us precisely each specific instance in which Dr. Allen has made such statements during his connection with the commission and each specific statement which appears on the record of the commission which you deem to be unfair, and that you should be prepared to make a full answer to each of such statements."



Now, then, I do not care to examine you any further upon that; but you may now take the statements that were made to these persons reflecting upon your integrity, and after stating what the statements were, make your reply thereto.

Mr. CLEVELAND. I have stated in substance what they were.

Chairman WALSH. What were they? I did not catch it. What were the statements that were made to the other persons?

Mr. CLEVELAND. That the policy of the bureau of municipal research has been changed, due to Mr. Rockefeller's influence, and that Mr. Allen had resigned as a protest against that proceeding.

Chairman WALSH. Now, without stating the source of your information or who the persons were, you may proceed now, and you will have a full opportunity to answer in your own way those statements, as you have asked.

Mr. CLEVELAND. My answer to the first proposition, that the policy of the bureau has been changed, is that it has not. And in further answer to that proposition, I wish to say that all the persons, or a very large number of the persons, who were interested in starting the bureau are still with it and guiding its policies; that from the very beginning Mr. Rockefeller was one of a very large number of subscribers; that the only pledges that have ever been made are subscriptions given by Mr. Rockefeller that have any conditions whatever attached to them were obtained by Mr. Allen; and that the board has put itself on record, and the codirectors of Dr. Allen have put themselves on record, as being against any form of contribution that had any conditions attached or that would in any manner influence or bind the policy of its future action or limit the discretion of the board or of the staff; that the bureau originally undertook to make inquiries into the organization and management of the government, to find out what the government was doing, and how it was doing its work, what results were being obtained, without any color or bias, and to do this as an independent citizens' organization; that this is still the underlying purpose, policy, and motive of the board of trustees and of all the employees engaged by them; that in order there might be no question about the unbiased and disinterested attitude of the bureau in doing its work, it started out with an established policy of first preparing a statement of facts concerning any subject under inquiry, without comment or criticism, and submitting this statement of facts to the official or person responsible for the conduct of the office that was being studied, or taking up with the responsible officer or person any suggestion for change, enlargement, or amendment of this first draft of the statement of facts as submitted. This statement of facts first having been agreed to, the bureau then undertook to place before the officer its critical and constructive recommendations based on the statement of facts. It also undertook to give to the public officer its reports before it gave them to the public, in order that the officer might take such constructive steps as he might think desirable, with the facts before him, for the public good and before making the report and the statement of facts a matter of news. This is still the policy of the bureau of municipal research.

During the first five years of the bureau's existence Mr. Allen had little to do with the research work of the bureau, this being almost entirely in the hands of Mr. Bruère and Mr. Cleveland during the last three years. While Mr. Cleveland was absent Mr. Allen had much to do with the bureau's research work, and it was during this period that serious differences developed with respect to abuses being made of the personnel of the bureau, and serious question was raised by the board as to whether the practices that had grown up under Mr. Allen's management were in harmony with its established policies. With respect to publicity Mr. Allen's views have never been in harmony with those of his associates, and within the first year of the bureau's existence a special committee was appointed to define its publicity policy, departure from which has since been the subject of frequent protest. When Mr. Allen began more actively to participate in the bureau's work, some three years ago, he first entered the educational field, and in this he not only attempted to go into the various institutional aspects of education but also to harshly criticize educational theories and the ideas of professional educators. This practice, together with his personal attacks on educators, was the subject of protest from the members of the board.

Chairman WALSH. I would like to ask you at this point, Mr. Cleveland, what does Mr. Allen's personality have to do with the subject, as you understand it, Mr. Cleveland?

Mr. CLEVELAND. I understand that the charge has been made that the bureau's policy has been changed by the influence of Mr. Rockefeller, and that Mr. Allen has resigned as a protest against it; and what I am attempting to point out to the commission is that the practices that grew up under Mr. Allen were at variance with the policy of the bureau, and it was the protest of the board against that that led to Mr. Allen's resignation.

Chairman WALSH. Well, was that charge made in the records of the hearing of this commission, do you claim, by any person?

Mr. CLEVELAND. I claim that is a fair interpretation of the whole spirit of the inquiry with reference to the bureau of municipal research that the bureau of municipal research has been pointed out as a horrible example of Mr. Rockefeller's influence.

Chairman WALSH. By whom?

Mr. CLEVELAND. That that is a fair interpretation of the import of the inquiry.

Chairman WALSH. By whom?

Mr. CLEVELAND. That is the fair interpretation of the import of the questions in so far as the bureau of municipal research and Mr. Allen's resignation has been brought into the question.

Chairman WALSH. Do you mean questions asked Robert Fulton Cutting?

Mr. CLEVELAND. I mean the whole proceeding, so far as it relates to the bureau of municipal research.

Chairman WALSH. Of what other witnesses was any inquiry made as to the bureau of municipal research except Mr. Cutting?

Mr. CLEVELAND. I have very limited knowledge of the proceedings of this.

That growing out a part of the protest of the board against practices that had grown up under Mr. Allen's direct management a number of the members of the board resigned, including Mr. John B. Pyne, whose letter has been sent to you at your request, and which sets forth specifically the objection of the parties. That for two months after January 1, 1914, after Mr. Cleveland was out and Mr. Allen's codirector objected to the other participation in the management, and there is a sequence of conferences with Mr. Allen, both by him and by a committee of the board, seeking to get a common basis of understanding for adjustment of what perhaps were and what would be conceded to be the policies of the bureau. That these were found to be fruitless, and the result was Mr. Allen and his codirector resigned. That this resignation brought the whole matter before the general board, and the result is as known to you.

Now, with respect to the second proposition about Mr. Rockefeller's subscription and influence, I only wish to repeat what has been set forth in the statement which has been made a part of this record.

Chairman WALSH. Very good.

Mr. CLEVELAND. And to add to this the further statement that a considerable part of Mr. Allen's time has been given to an effort on his part to raise an endowment of \$10,000,000 for the bureau of municipal research.

Chairman WALSH. From whom?

Mr. CLEVELAND. Various persons.

Chairman WALSH. Including Mr. Rockefeller?

Mr. CLEVELAND. Well, an appeal made to Mr. Rockefeller as well as to the Sage Foundation and the Carnegie Foundation and very many other persons. It has been one after another. He sought to obtain an endowment for the bureau of municipal research, and to that end we have letters showing his effort to obtain the influence of prominent public men to be brought to bear on those givers.

Chairman WALSH. Well, do you deem that to be a reflection on Dr. Allen that he solicited money for this purpose from Mr. Rockefeller and others and in attempting to have influential persons assist in it?

Mr. CLEVELAND. I only offer that as evidence that the inquiry which is being conducted by Mr. W. H. Allen at this time is not wholly ingenuous.

Chairman WALSH. You think that the situation created is pernicious or otherwise; when a man leaves a bureau it might be stated that he did such things, that he solicited contributions of these men—what do you think a situation like that creates; what is your comment on it?

Mr. CLEVELAND. My comment is this, that when a man persists in that down to the time that he is asked to resign and then suddenly comes out as a missionary for the people as against that sort of thing, that it indicates that the commission has in its employ one who has prejudices and can not approach the thing fairly and unbiasedly.



Chairman WALSH. In other words then, following out your answer, I am just going to ask you this one question; it is not clubby for a man to try to get money from these people and say anything to those after he goes out?

Mr. CLEVELAND. I would say that it is rather this, that if a commission which is using the power of inquisition of the Federal Government employs an agent of this kind, it is not going to get the truth.

Chairman WALSH. Why not? Suppose you were out and we employed you.

Mr. CLEVELAND. For the reason it is an ex parte proceeding and they are the very ones who are looking for the kind of thing that can be used to get somebody, which is the psychology that seems to be back of part, at least, of this inquiry.

Chairman WALSH. Who prepares all the answers to those questions?

Mr. CLEVELAND. The questions, however, direct the course of the inquiry. They can not prepare the answers to the questions, but the questions—

Chairman WALSH. Did you understand that you could not make answer to the questions which were submitted to you and give a full explanation in regard thereto?

Mr. CLEVELAND. I understood that when a person has had access to other persons' records and he is permitted to ask all the questions that he can, is in a position to put the other person in a position to explain things that need no explanation if the whole truth were told.

Chairman WALSH. Well, then, if there is anything of that kind which has occurred in this inquiry, proceed now and tell the whole thing.

Mr. CLEVELAND. That is the reason I submit this statement of fact, because the inquiry was such as to limit the discussion of things and an attempt to answer the question would leave things unsaid that if injected into the record would give an entirely different view of the case.

Chairman WALSH. And this statement you have made into the record contains the whole explanation to any questions that may have been asked by the commission?

Mr. CLEVELAND. It is an attempt to set before you a number of statements of fact about three propositions to which this statement goes.

Chairman WALSH. I will say, Mr. Cleveland, that if you deem that that does not set forth the facts in full, I wish that after you have called the attention of the commission to the statements made in the press, which you claim reflect upon your integrity and that of your associates, and after you have thoroughly considered what has been told to you by other people, that if you desire to supplement those with any statements of fact, we will be glad to have you do so and have it made a part of your record. Is there any statement you care to make orally at this time?

Mr. CLEVELAND. I wish to say that the principal questions of difference that have arisen with respect to matters of policy have had to do with the scientific character of the work on the one hand and to its impartiality on the other, and it was thought by the board and by the associates of Dr. Allen that in both respects the work of the bureau was being impaired by the manner in which he was conducting inquiries and by the use which he was making of the organization and resources of the bureau.

Chairman WALSH. Commissioner Commons would like to ask some questions.

Commissioner COMMONS. As far as I understand the situation, Mr. Cleveland, it amounts to this: That we are investigating these foundations with reference to whether they are a menace to the public and with reference to their power to control public institutions, colleges, universities, which are supposed to look out for the interests of the public. I take it that your bureau of municipal research is such an organization, and here is a concrete case presented to this commission where we may be able to pass judgment, not only on whether these foundations might possibly be a menace in the future, but whether they are actually now doing things which are a menace to freedom of investigation, to the right that a man has to hold his job in an institution of this character as against moneyed influence, and as to whether that influence is now being used to determine policy and to determine the personnel of investigations. Now, Mr. Cutting, the other day, in answering my question which I put to him, answered it in about that form, treating it in this way: That he, being a wealthy man and being as large a contributor as Mr. Rockefeller himself, must feel that was such an immaterial thing that if anybody wanted to believe it he could not help it, and so he did not give us any satisfactory answer.

As the situation is left with Mr. Cutting's testimony there is no evidence to show whether the bureau of municipal research ever examined or ever

changed its policy and would have dismissed Mr. Allen had there been no Rockefeller Foundation in the question.

The question at issue, by which we can judge of a concrete case, whether these foundations are a menace or not, would have to be decided largely by whether or not that policy would have been changed and Mr. Allen would have been dismissed irrespective of the existence of the Rockefeller institution. In order to get that, there were three things, as I understand it, the method of publicity was changed—the investigation of pedagogical methods was changed, and the training school for those who expected to be experts in this line of work was either discontinued or planned to be discontinued.

Now, what I should like to know would be such examples of the kind of publicity or the kind of investigation that was being conducted by the bureau to which you objected and from which we might then judge whether or not it was of sufficient importance to have caused a change of policy and to have caused the dismissal of Mr. Allen, irrespective of the Rockefeller Foundation?

Now, what was there on the matter of publicity that you objected to? I asked that question of Mr. Cutting, but he was unable to give me any information.

Mr. CLEVELAND. Before I answer that may I say one word as to the form of the question?

Commissioner COMMONS. All right.

Mr. CLEVELAND. Namely, that in the statement preceding it the assumption has not been that the training school would be discontinued nor that publicity would be discontinued, but that the practices and management with respect to these would be changed in such a manner as to make it square with the established policy of the institution. Coming to the point of the publicity, I say that during the last three years—

Commissioner COMMONS (interrupting). Mr. Cleveland, if you will simply read the typical ones—pick out a few typical ones and file the others—give the typical ones that you refer to.

Mr. CLEVELAND. May I say that the first publicity of the bureau was begun the first year after its organization, in which Mr. Allen, who was employed almost entirely on the publicity contact side of our enterprise and the money raising, began to use the funds of the bureau to issue small leaflets that could be sent in an envelope; that at once, these matters coming before the attention of the board of trustees, question was raised about that form of publicity, and a committee was appointed, which finally accepted this as a form of publicity and reported favorably on it, but recommended that in that form the publicity should be limited to quotations and excerpts from the public press or from any documents that were in the nature of expressions, either with respect to the work of the bureau or its interests; that these would be used simply as a way of distributing; that is, making these clippings, or a press service—or an educational service, I should say. The departure from that established policy of the bureau for municipal research has been one of the causes of irritation. It was adhered to for a time, but every little while there would be a break away from it, and finally it was brought up in the board and understood that Mr. Cutting and another member of the board—which one I have forgotten, but I think Mr. Morawetz—were to pass on every one of these things before they were sent out, but that was not done. Every little while something would get out without their having seen it. However, the exigencies or the limitations of time being urged, these were overlooked, and the matter was kept pretty well within those lines until about three years ago. I have forgotten—it is within the last three years at least, because I know it was during my absence—the publicity of this kind was converted into two weekly publications, one called Efficient Citizenship and the other called Municipal Research, thereby giving them the status of publications under the postal laws of the United States and giving to the institution the benefit of what is called second-class postage, or the newspaper postage rate.

Commissioner COMMONS. Now, have you some examples there?

Mr. CLEVELAND. Now, as examples of a departure from the policy of the bureau that these things should contain only the excerpts from others, here we have for example:

ADENOID SMILE AND ADENOID AGE TABLES.

The cat's in the dumps,  
She's bothered with lumps,  
And nothing is really worth while;  
Her brain it is fogged,  
Her nose it is clogged,  
And she's wearing an adenoid smile.



This is on the first page of Efficient Citizenship, a large part of which is in the nature of comment, editorial comment within the office, and not in the nature of excerpts.

There were a large number of things of this kind, as for example, another one, No. 618; the other was 616, issued under date of May 10, 1913. This is No. 618, issued under date of May 17, 1913. There was a special number in between, which I do not happen to have before me at this time, Making Lemonade with Lemons, with some more of this kind of comment.

Now, that is the kind of thing, and I could give you hundreds of those.

Commissioner COMMONS. You might file them if you will, please. File those two with the record.

(The witness hereupon introduced, in printed form, two leaflets, entitled, "Efficient Citizenship," issued May 10 and 17, 1913, by the Bureau of Municipal Research, 261 Broadway, New York.)

And here is another in which this appears: Civicity Like Charity Begins at Home.

The REPORTER. Civicity?

Mr. CLEVELAND. Yes; that is a newly coined word coined by the bureau of municipal research.

That is the character of publicity that was repeatedly argued against while it was commented on as something that might be highly desirable for the purpose of propaganda, but for the purpose of popularizing an ideal it was thought that our agency was not one that should employ—at least devote—those weekly publications to.

Commissioner COMMONS. On what ground did you object to that kind of publicity? Why was that not consistent with your bureau, if you say it was not?

Mr. CLEVELAND. The thought was that it was—well, in the first place—it was in direct violation of the instructions of the board of trustees, which had taken this matter up and considered it in committee and decided against it.

Commissioner COMMONS. I am trying to get at the reasons.

Mr. CLEVELAND. As to what were the reasons that moved the board of trustees, I can only tell you of the discussion that took place at the meetings at which I was present. I was not present and did not take up with the committee the question in its deliberations, but the reason advanced at that time was that while it might be effective, and very effective, it would tend to give to the public a wrong idea about the methods and purposes of the bureau; that it was reaching out for publicity and that it lent itself more directly to hostile criticism than it did to constructive purposes.

Commissioner COMMONS. Now, take up the investigations or methods of investigation or subjects you refer to.

Mr. CLEVELAND. You mentioned the management of the training school. The training school was organized for the purpose of giving men who were just out of engineering or technical schools—men who had little or no practical experience, but had laid a broad foundation for a career, and who wished to get into public work in one capacity or another, such as an investigator or employee of the Government, or an employee of one or another of those citizen agencies that exist in this country having a public interest. The thought was that this would give men an opportunity to get in touch with public problems and Government work, and of working with men who were working on those problems or working under them. In other words, it would be a laboratory or clinical process of studying government. Now, as I said, the whole theory was that these men would work under direct supervision of those who had assignments on the staff, and when I came to get into active contact with that part of the management I found only a small percentage of the men had been so assigned; that most of them were working independently and many of them were employed on assignments wherein they were to be used directly as the persons to make the report, and whose reports were to be relied on as basis for bureau action.

I raised the question about this as a matter of policy, and I found that Mr. Allen and I could not get into an agreement on the matter. As illustrating the character of assignment which has been made by Dr. Allen, and it illustrates both that the person was not assigned to work under a member of the staff who had his report to prepare—a technical or expert report to prepare as a basis for a conclusion, and also illustrates assignments to a subject that to my mind was entirely foreign to the purpose of the institution. This assignment to Mr. Taylor—

Commissioner COMMONS. How much experience had Mr. Taylor had?

Mr. CLEVELAND. Mr. Taylor had had the experience of a law clerk, I think, before he had come in there, and had had a college education. He, by the way, was exceptional in that he had had some experience. But this was the assignment [reading]:

"For the next few months there will be a great deal of discussion of the possibilities of destroying or rehabilitating Tammany Hall. Talk of destroying Tammany Hall is probably absurd. Talk of rehabilitation is equally absurd unless they go further than the making up of the men at the top. So far as I know there has never been a suggestion that the charter of Tammany Hall be qualified or repealed so as to give its membership a voice in the management and more particularly a guaranty of complete publicity. It has no publicity as to what has happened. Please look into this thing and report when you see your way out as to the possibility of so reorganizing Tammany Hall by charter and by publicity provisions that it will become a veritable bureau of municipal research, plus training school for public service, plus clearing house for adequate community relief discussion."

This is assignment 489 of November 5, 1913.

One of the assignments was almost—which was before us concurrently at the time that we had our discussion.

Another assignment made on the same day to a Mr. Zeiger; the assignment is as follows:

Commissioner COMMONS. How much experience had he?

Mr. CLEVELAND. He was a man, as I recall it, just out of college. I have a list of the men with their experiences here if you would care to have it in the record [reading]:

"The portion of Mr. Shroeder's letter hereto attached which speaks of fish in Iceland. Take steps to see whether it would be possible for American shippers to have fish come from Iceland."

It was thought that that was in the nature of an expert problem in the first instance for which Mr. Zeiger was wholly disqualified, or not qualified, and second, that it had nothing to do with the purpose of our work.

Now, with respect to the utilization of the bureau, or of the training-school men, independently on assignments, here are some of the assignments I brought to the attention of the board when this subject was under discussion. This is an assignment to a Mr. Schneider, No. 630.

Commissioner COMMONS. What was his qualification?

Mr. CLEVELAND. Mr. Schneider, before he came to the training school, had been at work for—he was a college graduate and had been at work for the park and boulevards commission of Indianapolis. He had had quite a little of contact with that kind of a problem. This was an assignment that was given similarly to a large number of the men. It was entitled "Help Your City Complainants," the purpose being to investigate complaints. The instructions were these [reading]:

"Please remember that the first purpose of the assignment is to get information promptly, and to suggest remedies."

My objection to that was that the complaints in nearly every instance had to do with more or less technical or intricate parts of the city's business. At least it would require a man familiar with the subjects to know whether the complaint was well founded and what remedy, if any, should be applied. None of these men had any such qualifications, or if they had, their proper place was not in this training school.

Another, to Mr. Talmadge, a man who had just come in and who had had experience, I think, as an insurance broker, or in an insurance broker's office, or something of that kind. The assignment was [reading]: "Re Information Concerning Automobiles Owned and Used by Various City Departments."

The instructions [reading]:

"The purpose of this study is to obtain the facts stated for the use of the bureau. The assignment to get information as a basis for bureau action."

Commissioner COMMONS. We will pass from that. We have not the time to go into it any further.

Mr. CLEVELAND. I would like to say further in regard to this particular man, I brought before the board three assignments of that man, one for the investigation of automobiles, one for the purpose of obtaining information for the sinking fund commission, which will be of assistance to it in considering



requests made by the street cleaning department for renewal of leases, and one for the investigation of municipal buildings, for none of which did he have any qualifications more than any boy that was out of college, and without any assignment to any person to have him work under supervision.

Commissioner COMMONS. Take up the next question of the investigation of the public schools. What have you to say upon the question of the policy and of the method that you objected to?

Mr. CLEVELAND. The methods that we objected to there was the sort of public pickling process that grew out of that was based on one thing and another that had been published or issued either by the board of education or by the persons who had been employed by the board of estimate and apportionment to investigate the board of education, and as a large amount of the publicity which will be submitted to you as you suggest will bear out that subject.

Commissioner COMMONS. Now, on what date did you first get this matter of criticism?

Mr. CLEVELAND. Before I leave that may I say one word?

Commissioner COMMONS. We only have a very few minutes, and we will have to take that up, as I say.

Mr. CLEVELAND. I wish to call attention to the incident of my having been forced to apologize to the court of the city of New York—the supreme court—for a kind of statement that was gotten out reflecting on them, which was one of the things brought before the board.

Commissioner COMMONS. You may file that, if you will.

Mr. CLEVELAND. Be very glad to have it.

Commissioner COMMONS. What was the date when you first took up these matters of criticism, or when it was first taken up?

Mr. CLEVELAND. They were first taken up when I was still employed on the customhouse work and only occasionally at the bureau.

Commissioner COMMONS. What date was that?

Mr. CLEVELAND. Along in November and December of 1913.

Commissioner COMMONS. What did you take up then?

Mr. CLEVELAND. I was still—had the responsibility of a director, although I was not active in the management. I took up a number of these questions that I have referred to at that time and discussed them at length with Mr. Allen, and also participated in the controversy. I say participated in—was present at conferences concerning the controversies between Mr. Allen and Mr. Bruère.

Commissioner COMMONS. Have you any correspondence relating to that?

Mr. CLEVELAND. There was no correspondence.

Commissioner COMMONS. What was the next date at which you took up anything?

Mr. CLEVELAND. Then, after January 1, Mr. Bruère having resigned and I having been made free for active work, when I came into the active management or responsibilities there we had almost daily conferences on various things; and I found, after some two months and after six hours of conference on the 28th of February, that there was no possibility of Mr. Allen and me agreeing on any question that had to do with the work or the management of the work of the bureau of municipal research; and on the next day, which was Sunday, March 1, I wrote my letter of resignation and submitted it on the 2d.

Commissioner COMMONS. What action was taken by the board on your letter of resignation?

Mr. CLEVELAND. It was sent to the chairman of the board. The chairman of the board asked me—there was nothing said in it reflecting on Mr. Allen—asked me why I was resigning, and I told him, as I had indicated in the letter, that I had other work to do. And he said that he was very much disappointed, and he felt that the other members of the board would feel very much disappointed that I would go away from them, when Mr. Bruère had already gone out, and they had been depending on me to help out; and I said, "If you are going to put me in the position of running away from responsibility," I said, "the board will have some questions to decide." And he wanted to know what I meant, and I told him these questions of policy could not be agreed on and that the bureau of municipal research, as I understood, was composed of the board of trustees, and that Mr. Allen and I were only employees; and that its policy should be determined by the board and, so far as I was concerned, they would have to determine it if I remained. Then he wanted to know if there could not be some arrangement made similar to that which first obtained the first five years, under which we would have a division of responsibility; and I

said I had tried to talk out with Mr. Allen various possibilities in that line, and said I was ready to take any part of it, all of it, or none of it. And then he came to the bureau—this was over the telephone that we were talking—and he sat down with Mr. Allen and me, and on Mr. Allen's motion we agreed to a type-written memorandum of the subdivision of responsibility, the important feature of which was that I would be given charge of the work of the staff and of the professional and technical work, and Mr. Allen would have the training school. That lasted 24 hours. It is unnecessary to say what happened, but it was found that my orders were being countermanded, and the only thing to do was to put it squarely up to the board. And on the 24th of March the board acted on the proposition presented by Mr. Cutting, practically confirming that memorandum, but to no purpose; and the thing drifted along until May 13, when the board finally took its action.

Well, I would say that there was an executive committee meeting, which finally decided on certain questions of policy which indicated very clearly that the board would not support the contentions of Mr. Allen.

Commissioner COMMONS. Was that after the arrangement was made with Mr. Rockefeller?

Mr. CLEVELAND. Mr. Rockefeller—the request sent to Mr. Rockefeller to take up the question of next year's funds, as I recall, was on the 7th of January, but there was no response to that, and no contact with him, so far as I know, except by Mr. Allen, until the 20th of April, when at his request Mr. Cutting met him at luncheon to talk over next year's finances. And while I was not present at that conference, and in fact up to that time had never been in contact with Mr. Rockefeller or any person in the Rockefeller Foundation with respect to any business of the bureau, Mr. Allen having done all those things. I was present at a conference immediately following Mr. Cutting's return to the bureau and telling Mr. Allen and me what had happened. Mr. Cutting stated that in taking up this question of funds that Mr. Rockefeller had said that he was just as much interested as he ever had been in the work of the bureau, as originally planned, and as he understood it was being carried on pursuant to the policies of the board until comparatively recently—within a recent period. That during that time the bureau had branched out on a lot of things—a number of things—with which he was not in sympathy; that if there could be some way devised whereby he could know what he was contributing to, that he would be very glad to consider a contribution for the next year, and he did not wish to be considered as having stated arbitrarily that he would not contribute in any event, but that he did not feel like contributing to things that he did not have any interest in; and in that he referred to the questions—the very questions—of publicity, of the use of the training-school men on service, which had come to his attention through the reports that had been made by the training-school men, and with respect to the—well, what was called the outside work—the use of the large part of the staff for work outside of New York.

Commissioner COMMONS. Getting back to my first question. Suppose the influence of Mr. Rockefeller had not come in at this date; do you think the policy of the bureau would have been changed in the same way as it has been changed?

Mr. CLEVELAND. May I say on that point exactly what Mr. Cutting said on that matter?

Commissioner COMMONS. He said it had not been, but I want to know what your idea is.

Mr. CLEVELAND. Well, the affairs to which the policy of the bureau—the distinguishing policies from practices—must necessarily be a matter for determination by the board. But Mr. Cutting on that day said that he told Mr. Rockefeller that he had not raised a question that had not been prominently before the board and on which they had committees at work, and that so far as he could find out that a question of that kind had already been determined in the minds of the board of trustees. Furthermore, that the expressions of meetings at which I was present showed conclusively—that is both before and after this period—that every member of the board, before this discussion arose, was firmly convinced on the subject and had firmly determined as to what his action would be with respect to making the recent practices square with what they understood to be their continuing policy.

Commissioner COMMONS. Did you put up to the board the issue of either you or Allen getting out of the board?

Mr. CLEVELAND. I only resigned. At that time I did not know how the board would stand on any question of controversy between me and Mr. Allen. He had been here all of the time and I had been away except for the last two months, and I assumed they were quite familiar with the things I had objected



to in the private conference with him that had not, up to that point, been brought up openly in the board; and therefore I resigned.

Commissioner COMMONS. Was this a personal issue between you and Dr. Allen, or was it based on a question of policy?

Mr. CLEVELAND. Absolutely on a question of policy. We never had any question of personal issue except one growing out of the methods of work and the practices that had grown up under Mr. Allen's management.

Commissioner COMMONS. That is all.

Chairman WALSH. That is all; thank you, Mr. Cleveland.

(The letter and statement previously submitted by Mr. Cleveland are as follows:)

BUREAU OF MUNICIPAL RESEARCH,  
New York, February, 2, 1915.

HON. FRANK P. WALSH,

*Chairman Industrial Relations Commission, New York City.*

DEAR SIR: Mr. William H. Allen, who is employed by your commission, has issued to the public and there have been injected into the proceedings of your commission statements that reflect on the integrity and professional character of myself and my associates in the bureau of municipal research.

I therefore ask that you incorporate the inclosed statement of facts in the record of your commission; and, in order that there may be no ground for charging misrepresentation or unfairness, I ask that I may be sworn as a witness and examined under oath.

A copy of this request is being sent to each member of your commission.

Very truly, yours,

F. A. CLEVELAND, *Director.*

#### STATEMENT OF FACTS.

#### THE ORIGIN OF THE BUREAU.

The one novel idea in the organization of the bureau of municipal research (the continuous employment of a staff by a citizens' agency to keep in touch with the Government and what it is doing, and to cooperate in constructive work) had been discussed for many years before 1907. In its issue of March 11, 1901, this was the subject of an editorial in the New York Tribune, which was clipped by Mr. Frank Tucker and sent to Mr. Cutting as something to which he should lend his support. Soon after this a formal proposal to create a bureau or department of civic affairs of the chamber of commerce was prepared by Mr. Tucker and taken up by Mr. Cutting with Mr. Charles Stewart Smith, a prominent member of that body. When Mr. Allen came to New York his assistance was invited. While engaged professionally on work of this kind, Mr. Frederick A. Cleveland became impressed with the need for an independent agency, supported by citizens, which would be equipped to obtain information about the management of public affairs, and follow up and support the constructive measures of public officers. When Mr. Cleveland became a member of the mayor's advisory commission on finance and taxation in January, 1905, he actually employed an outside staff in this manner.

In February, 1905, Mr. Cleveland prepared a written prospectus for the organization of a permanent "Bureau of municipal research," at the suggestion of Mr. Tucker, and placed it in Mr. Allen's hands, with the understanding that he would undertake to raise money for it. This brief was used for some time by Mr. Allen and several conferences were arranged with professional and business men. Later in November, with the help of Mr. Tucker, Mr. Allen prepared a revised statement and circulated it under the title of "Brief for the Establishment of an Institute for Municipal Research."

In the latter part of 1905 Mr. Cutting decided to support the effort at the rate of \$1,000 per month for a year, to make an actual demonstration of what could be done; and with this fund Mr. Henry Bruère was employed to take charge of it, taking over on his staff some of the men who had been working with Mr. Cleveland. The work was financed by Mr. Cutting and conducted by Mr. Bruère as the "Bureau of city betterment," a branch of the citizens' union, of which Mr. Cutting was president. The success of the first year's effort led Mr. Cutting to ask Mr. Carnegie and Mr. Rockefeller to join him, and the bureau of municipal research was incorporated in 1907, with Mr. Cutting, Mr. Tucker, Mr. Allen, Mr. Cleveland, Mr. George McAneny, Mr. Richard Watson Gilder, Mr. Edwin R. A. Seligman, and Mr. Carroll D. Wright as trustees. Mr. Bruère was the first director of the bureau. Mr. Cleveland was

brought in as director on the technical side and Mr. Allen was made director in recognition of his ability as a promoter and advertiser.

#### THE PURPOSE AND POLICY OF THE BUREAU.

The bureau originally undertook to make inquiries into the organization and management of the Government, to find out what the Government is doing, how it is doing its work, and what results are being obtained, without color or bias. This is still the underlying purpose and motive of the board of trustees and of all of the employees of the bureau engaged by them.

In order that there might be no question about the unbiased and disinterested attitude of the bureau in doing its work, it started out with the established policy of first preparing a statement of facts, without comment or criticism; of submitting this statement of facts to the official or to the person responsible for the conduct of the office that was being studied, of taking up with the responsible officer or person any suggestion for change, enlargement, or amendment of the first draft of statement of fact, as submitted. A statement of facts having thus been agreed to, the bureau then undertook to place before the officer its critical and constructive recommendations based on the statement of facts. It also undertook to give to the public officer its report before it gave it to the public, in order that he might take such constructive steps as he might think desirable for the public good before making the report a matter of news. This is still the policy of the bureau of municipal research. During the first five years of the bureau's existence, Mr. Allen had little to do with the research work of the bureau, this being almost entirely in the hands of Mr. Bruère and Mr. Cleveland. During the last three years, while Mr. Cleveland was absent, Mr. Allen had much to do with the bureau's research work, and it was during this period that serious differences developed with respect to the uses which were made of the personnel of the bureau and serious question was raised by the board as to whether the practices that had grown up were in harmony with established policies.

With respect to publicity, Mr. Allen's views have never been in harmony with those of his associates, and within the first year of the bureau's existence a special committee was appointed to define its publicity policy, departure from which has since been the subject of frequent protest.

When Mr. Allen began more actively to participate in bureau work, he first entered the educational field; and in this he not only attempted to go into the various institutional aspects of education, but also to harshly criticize educational theory and the ideals of professional educators. This practice, together with his personal attacks on educators, was the subject of protest by members of the board.

Further questions were raised as between the directors with respect to practices pertaining to the professional-service work undertaken for compensation, management of the training school, office organization and discipline, and other matters, many of which were not brought before the board.

During the period of these controversies, several members of the board of trustees resigned, the last being Mr. John B. Pine, his letter, with statement of reasons, being dated February 20, 1914.

Effective on January 1, 1914, Mr. Buré resigned as codirector.

For two months after January 1, 1914, efforts were made by Mr. Allen's remaining codirector, who had then returned to active participation in the management, to find a basis whereon an agreement could be reached with respect to bureau work, either by a definition of duties or by a subdivision of responsibility, which could be presented as a formal proposal to the board of trustees.

Finding that this was impossible, on March 2, following a six-hour conference on February 28, Mr. Cleveland submitted his resignation to the board of trustees, recommending that the management be turned over to Mr. Allen.

The resignation of Mr. Cleveland brought the chairman of the board into the matter and an agreement, in writing, was made with respect to the division of work, to no avail.

A formal proposal along the same lines was then brought before the meeting of the board of trustees (Mar. 24, 1914) and a resolution was passed defining the jurisdiction and authority of each director, with no better result.

Again the questions in controversy were taken in hand by the chairman of the board, but as it became evident that it was necessary for the board to formally decide matters of policy, the questions in issue were formulated and a meeting was called to pass on these May 13, at which Mr. Allen submitted what he has been pleased to term, "An alternative to the Rockefeller proposal."



## FACTS ABOUT THE ROCKEFELLER SUBSCRIPTIONS AND INFLUENCE.

Although Mr. Rockefeller and the Rockefeller Foundation have been among the liberal contributors to the support of the bureau, the total of all the contributions from both sources has amounted to only about 10 per cent of the funds expended. (See "List of contributors," Exhibit I.)

During 1907 Mr. Allen sought to obtain large financial support from the Sage Foundation and the Carnegie Institution, as well as from Mr. Rockefeller.

In May, 1908, Mr. Allen wrote to Mr. Rockefeller, emphasizing the need for a permanent endowment. In November, 1908, Mr. Allen again sought to enlist Mr. Rockefeller and Mr. Carnegie in obtaining large support for the bureau.

From 1910 to 1914 Mr. Allen frequently urged Mr. Rockefeller and his associates to contribute to the bureau.

In 1913 Mr. Allen obtained from the Rockefeller Foundation, on his urgent solicitation, \$30,000 for a special investigation to be controlled by him, although at that time Mr. Rockefeller's subscription to the general fund of the bureau was only \$2,000.

As late as December, 1913, he stated that he still hoped to get from Mr. Rockefeller an endowment, and cited the fact that he had obtained a special fund of \$30,000 a year before as the reason to hope for such a result.

The only contributions to the bureau by Mr. Rockefeller or the Rockefeller Foundation with restrictions attached were obtained by Mr. Allen, and the only difference between the subscription which Mr. Rockefeller made in 1914 (the subject of Mr. Allen's hostile criticism) and the \$30,000 subscription of 1913, above mentioned, is that the subscription of 1914 was to the general fund, without restrictions, whereas the 1913 subscription was to a special fund.

The fact that Mr. Allen sought and frequently obtained special funds from Mr. Rockefeller and others, instead of giving his thought and attention to obtaining general funds, the use of which would be for the free determination of the board, was one of the subjects of serious complaint against Mr. Allen by his codirectors.

During the entire period of eight years Mr. Allen was the only one who had any considerable contact with Mr. Rockefeller or his associates in asking for financial support.

During this period Mr. Allen also made various overtures to try to get Mr. Rockefeller to interest himself personally in the management and affairs of the bureau.

In 1909 Mr. Allen proposed Mr. Rockefeller as a trustee and obtained the consent of the board to write a letter to Mr. Rockefeller, urging him to become a trustee, which Mr. Rockefeller refused to do.

It was not until May, 1914, after Mr. Brué had left the bureau and after questions had formally been raised before the board bringing into issue questions of policy concerning the management on which the trustees could not agree and when, with the resignation of his codirector before the board, there was a disposition shown not to accept it, Mr. Allen made it known that he thought that Mr. Rockefeller was exercising undue influence or that he objected in any manner to Mr. Rockefeller's contributions.

A conference between Mr. Cutting, Mr. Morawetz, and Mr. Rockefeller took place on April 10, in response to a request of Mr. Cutting made several months before, urging Mr. Rockefeller to take up the question of another five-year subscription, the last year of the previous one being about to expire.

Upon the conclusion of this conference, Mr. Cutting immediately reported the conversation to the directors and stated that Mr. Rockefeller had raised question about the publicity and about the policy of the board, but that he had been told that every question he had raised had for some months been before the board, further that Mr. Rockefeller had requested information about certain details of bureau practices, and that he had suggested that he get his information from one of the directors.

On the following day (Apr. 11), at Mr. Rockefeller's request, Mr. Cleveland lunched with him to talk over the bureau's methods and work. At the conclusion of this conference a written memorandum was made and submitted to Mr. Allen, setting forth what questions had been raised and what had been the attitude of Mr. Rockefeller, this being the first conference that Mr. Cleveland had ever had with Mr. Rockefeller about bureau work or bureau affairs.

April 22 Mr. Allen wrote to Mr. Cutting, from Madison, a letter, an excerpt from which follows:





## TESTIMONY OF MR. ROBERT W. HEBBARD.

Chairman WALSH. Your name, please.

Mr. HEBBARD. Robert W. Hebbard.

Chairman WALSH. Where do you reside?

Mr. HEBBARD. I reside in Albany.

Chairman WALSH. What is your business?

Mr. HEBBARD. I am secretary of the State board of charities.

Chairman WALSH. How long have you held that position?

Mr. HEBBARD. I have held the position altogether about 16 years, and 4 years was commissioner of public charities in the city of New York ad interim.

Chairman WALSH. Was it immediately prior to your service at Albany, Mr. Hebbard?

Mr. HEBBARD. No; it was after I had served a number of years at Albany; after I had served 10 years at Albany.

Chairman WALSH. Are you a member of the American Social Hygiene Association?

Mr. HEBBARD. I am a member of the board of directors.

Chairman WALSH. We have been directing a part of our investigation to any possible influence that may have been exercised upon any of these organizations by the donors of money to the same, and Mr. Manly advises me to say to you, please, that we are limited in time, and if you have any such in your knowledge kindly give it to the commission in your own way.

Mr. HEBBARD. The American Social Hygiene Association is an amalgamation of the American Association for Sex Hygiene and the American Vigilance Association. Dr. Morrow started the American Association for Sex Hygiene, which went into this amalgamation something like a year and a half ago, as near as I can remember. The agreement was that 14 members of the board of directors of the sex hygiene association and 7 members of the vigilance association should form the board of directors of the new organization, the intention being to have the federation policies control the work very largely. Dr. Eliot was elected president. Very shortly after that he appointed an executive committee, which virtually has charge of the work. That executive committee was, however, not truly representative of that agreement. It contained on its membership Mr. Reynolds, Dr. Snow, Mr. Greene, Mr. James—Mr. Reynolds, Mr. Greene, and Mr. James being connected very directly with the Rockefeller interests.

Chairman WALSH. Jerome D. Greene?

Mr. HEBBARD. Yes—and Miss Dodge, myself, and a Dr. Keyes. Very presently after that Dr. Eliot appointed Mr. Reynolds and Dr. Snow—or about that time—to pay positions in the service of the association, Mr. Reynolds as counsel and Mr. Snow as secretary, Mr. Reynolds being paid \$9,000 and Dr. Snow \$8,000 a year. This was contrary to the membership corporations law of this State, which forbids any such appointment unless the by-laws of the organization so provide, or unless the board of directors by a two-thirds vote so provides. I pointed this out in a letter to Dr. Eliot and also pointed out the fact that the executive committee was not truly representative of the board of directors, upon which I became immensely popular with the organization.

This matter ran on in this way for about a year until finally I notified Dr. Eliot that unless the matter was properly settled it would have to be taken to court. That as secretary of the State board of charities of this State I had a great deal to do with the management or supervision of the management of membership corporations, and that I was placed in the very embarrassing position in continuing to be a member of a board of directors of an organization which itself was violating the specific provision of law, and as a result of that, within about a month a meeting of the board of directors was called and the payment was legalized.

Now, I presume that Mr. Manly wishes me to testify with relation to certain action taken by Mr. Greene.

The federation for sex hygiene had always had the union label on its paper. But at about the first meeting of the executive committee Mr. Greene very strongly objected to the union label continuing on the paper. It was explained to him that we desired to secure the cooperation of labor people generally in this work of sex hygiene, and that in order to do that it had been deemed necessary to have the union label appear on the paper. He finally compromised by agreeing to allow it to appear on the paper that was used for correspondence with the labor unions.

The net result of this amalgamation and action is that the funds of this organization have been practically used up. There was a guarantee fund for three years that amounted to about \$100,000. The funds are now practically gone. The organization is absolutely in the control of Mr. Rockefeller's lieutenant, and the board has its hand out to Mr. Rockefeller for money to keep the organization going.

Chairman WALSH. Will you kindly make a written statement, Mr. Hebbard, of anything in addition now that you have in mind that will have a bearing upon the same subject, so that I may ask but one or two other questions? Do you understand that at the insistence of Mr. Greene this whole board adopted this policy of sending out letterheads only to the unions with the union label on, so that they might expect their cooperation?

Mr. HEBBARD. That was a concession granted by Mr. Greene, I should say.

Chairman WALSH. And that was the policy adopted thereafter—they sent out letterheads that went to the unions particularly with the union label on, so that they might get their support, and all others they sent out without the union label?

Mr. HEBBARD. That, as I say, was the policy adopted. I am very doubtful whether any paper has since been printed with the union label on it. I have not seen any myself.

Chairman WALSH. If it were so done, Commissioner O'Connell would want to know what percentage of your general printing would have the union label?

Mr. HEBBARD. I could not say.

Chairman WALSH. Did Mr. Greene say what he objected to in the union label being on the stationery?

Mr. HEBBARD. He said it was undemocratic.

Chairman WALSH. Ladies and gentlemen, we must have perfect order.

That is all, thank you. You may be excused.

#### TESTIMONY OF DR. WILLIAM H. ALLEN—Recalled.

Chairman WALSH. Your name?

Dr. ALLEN. W. H. Allen.

Chairman WALSH. And you have already testified that you were formerly a director of the board of municipal research?

Dr. ALLEN. Yes, sir.

Chairman WALSH. Now, were you present when Mr. Cleveland testified here this morning, Doctor?

Dr. ALLEN. I was not present.

Chairman WALSH. I am going to ask you, if you will, because we are hurried for time, not to refer to any personalities of any kind, but from your experience state what fundamental suggestions you have with reference to these foundations, from your inside experience and your observation as an investigator from the outside, and your reasons therefor, it being the understanding that we adjourn very close to 1 o'clock.

Dr. ALLEN. We have had sent to us a vast amount of material from the various foundations, and we have had written answers to a thousand or perhaps several thousand questions. It has been possible from original data that have come in to see the inside workings of some of the present foundations as has never been seen by me before even though I have been studying these matters for some time.

I have put together and just had placed on the desks of the commissioners some suggestions which I had thought in order for this particular question to make to the board this morning.

Chairman WALSH. I wish you would read that aloud into the record, and make your comments upon the same as you go along.

Dr. ALLEN (reading):

"1. That all philanthropic agencies engaged in interstate philanthropy or investigation be required to secure a national charter and be made subject to inspection and supervision by the National Government.

"2. That no charter be granted to fewer than seven incorporators, and that the number of members be not reducible below a minimum of seven.

"3. That changes in the number of trustees above the minimum of seven be made only after advance notices of intention to change to the proper Government office and to the public."

One reason for that was that the last two members of the Rockefeller Foundation, President Eliot and Mr. Hepburn, had been added, without compliance



with the laws of the State of New York, and by an informal decision, without, as Mr. Greene stated in their testimony, formal consideration or any formal procedure. If nine may be increased by two, nine may be decreased by two or four or six by the same process.

Chairman WALSH. So that would leave a board, if thought proper, to consist of three?

Dr. ALLEN. Easily. [Reading:]

"4. That the chairman of every such corporation require that the corporation work on the budget plan; that modern business principles of organization and procedure be followed.

"5. That the corporation budget may be voted by not fewer than the minimum number of incorporators.

"6. That annual reports be required not only of cash in and cash out, but of work done and not done; whether income has been spent or allowed to accumulate; the returns and rates of return from each investment and from bank deposits."

For example, we have been referred to one set of securities which have suffered very great decline since they were given to one of the foundations.

Mr. WALSH. What are they?

Dr. ALLEN. Particularly the pipe-line securities of the Rockefeller Foundation.

Chairman WALSH. What pipe-line securities?

Dr. ALLEN. Well, there are several; they vary, six or seven pipe-line companies.

Chairman WALSH. All carrying pipe lines?

Dr. ALLEN. Yes, sir. After the decision by the Interstate Commerce Commission that the pipe lines were common carriers there was a very great decline, and that suggested the possibility of a great shrinkage in securities, which shrinkage, for the protection of the public and for the protection of the directors, should be made concurrently known to the public. It is also important for the public to know whether bank deposits, as mentioned here, for example, are receiving the interest rates that might be received from wise investment. [Reading:]

"Opportunities met and not met; a number of meetings, and the attendance or absence of each member at each meeting of the board and of standing committees."

These are suggestions from the annual report. [Reading:]

"The organization of the corporation, its committees, and staff for the preceding year."

For example, there is nothing in the report of the Rockefeller Foundation from 1902 to 1914 to show who the executive committee are, and to show the fact which might easily develop into a very important fact in the future.

Chairman WALSH. You mean the General Education Board?

Dr. ALLEN. The General Education Board.

Chairman WALSH. You said Rockefeller Foundation.

Dr. ALLEN (reading): "And might easily prove important" that the control of this board is with a personal staff of the donor.

"The cost of each kind of work and of each important undertaking."

That, I think, is a very important beginning. Vast sums of money are being spent for investigation of various kinds, and if a foundation tries to put out a conflagration with an atomizer it is well for the public to know just how much energy has been put into one of its studies, and that is the only way to tell whether the foundation is properly grounded. [Reading:]

"7. That the number, character, and purpose of the applications received, but not acted upon favorably, be reported and accompanied by a statement that all applications have been read and accounted for; the failure to read an account for all applications to be reason for a special examination and report by the Government."

The information which in the last 20 years has gone into Mr. Rockefeller's wastebasket without being read, and has gone into Mr. Carnegie's wastebasket without being read, if stated to the public in the United States, and if a few thousand dollars had been spent upon circulating it, would have done infinitely more than has been done by the tens of millions that have been put into the so-called benefactions and into the foundations.

This statement I have made frequently both orally and published it years ago, and have proved it, I think, by analysis of one giver's mail for one year, and proved it again by information that we are getting in our returns here.

It is absolutely impossible with its present organization for the Rockefeller Foundation with its hundreds of millions of dollars if it is getting the mail which it is stated comes to Mr. Rockefeller, it is a physical impossibility for the present organization even to read the letters, to say nothing about studying them and analyzing them. [Reading:]

"8. That interlocking directorates be prohibited whether within a group of foundations established by one donor or between independent foundations; and that where donors wish to have the same man or men on several foundations, such donors be required to act under a single charter so that the ultimate control and responsibility will be constantly advertised."

Chairman WALSH. What do you say as to the explanation that was made for having interlocking directorates, that it was difficult to get men in the country that had sufficient information, and that the persons so selected were among the few that had that information and were broad enough?

Dr. ALLEN. It dates back to the too much reading of the divine right of kings, and is absolutely without warrant in fact. No effort has been made to increase the number. Any analysis of comparative work done by the organization will show that interlocking enervates and subtracts from vision and effort to do.

Chairman WALSH. You may proceed.

Dr. ALLEN (reading):

"9. That no foundation be chartered for the purpose and with the power of giving away money to any organization of individuals or to any college, civic, charitable agency, etc.; that only agencies be chartered which will direct the spending of money given away and assume responsibility for the efficiency and safety of the results, or if this proposal is too radical for immediate consideration."

It is not Mr. Carnegie who is pensioning the teachers of this country. It is the teachers of the country that are pensioning Mr. Carnegie. There is a conception of wealth stated by one man who said that "I do not own a hundred million, I owe a hundred million." And he kept on owing the hundred million so long as he is in the open, doing work, finding work for others, delivering the goods. He owns money when he sits back and retires at 40 or 50, gives 100,000,000 here and 50,000,000 there for other people to seek.

It is to enforce that, to keep men who have power to serve serving, instead of putting them in a position to withdraw all this energy from business and to affect the men, the freedom of energy that others may put into the business. I am recognizing a distinction there between a man giving away money and a man establishing a foundation. If you say to this country Mr. John D. Rockefeller's secretary does not want us to do away with the union label, there is hardly an organization in the country that has the nerve to withdraw the label, but if, however, you say the secretary of a great national organization, a great foundation, with all the \$100,000,000 that it has, wants that, at once you put a stopper on which will prevent analysis and free discussion of the facts involved.

This suggestion is that we simply not in any way limit a man's freedom to give. Freedom to give in the guise of a foundation is nothing more than a personal giving, and no one should have a right to exempt his fortune, or any part of his fortune, from taxation, because he calls it a foundation instead of personal. [Reading:]

"10. That for the same reason employment agencies are prohibited from running lodging houses and mine operators from controlling railroads, no agency be chartered for the double purpose of giving away money to colleges, civic agencies, etc., and at the same time for investigating this prohibition not to include agencies which have made special appeal for gifts of money."

There is no time this morning to go into facts in connection with this, but it will develop from the statistics given of the work of the great foundations, and which are current throughout the country, which scientific men and students and workers know are absolutely untrue, but they are afraid to say they are untrue, because they all want some of that money. [Reading:]

"11. That all national charters include provision for public examination of records, subject to reasonable restriction, such as control citizen inspection of governmental records."

The Rockefeller Foundation sent us a list of its contributions, but there is one contribution which has been listed that does not appear in the present investigation or included in the gifts sent to this commission. It is an omission, but it may not be an unimportant omission; but if we had time there



are other reasons that might be given for the necessity of auditing and making it possible for closer supervision in order to see that these statements are correct. [Reading:]

"12. That in order to insure periodic comparison of work done by foundations with opportunities for service which have been presented to them, and in order to keep the burden of proof upon the foundations rather than upon an unorganized, unwatchful, and generally uninformed public sentiment, the life of a charter be limited to 20 years (suggested by Julius Rosenwald), renewable by the same process as originally granted it."

It makes all the difference in the world upon whom the proof is put. It is not to the interest of a foundation to ask for the withdrawal or appeal or amendment of its charter. Put it the other way around and say that the foundation must come back to the public and find out whether or not it should be continued, and it seems to me that the suggestion for periodic analysis would be a good thing. [Reading:]

"13. That the distribution of endowment funds or other funds not intended for current distribution be made only after notice has been given to the Government or public officers as to the intent to distribute, and as to the particular proposals for distribution."

In these charters we find it is left with the members of the foundation to decide as to the distribution of the funds, and if to-morrow the Rockefeller Foundation wanted to give away \$100,000,000 that would be its own business, and they could do that before the public would know anything about it. [Reading:]

"14. That any findings of fact regarding public or private agencies or officers be submitted to such agencies or officers for confirmation or modification according to the truth before being finally incorporated in a report for the public or for the governing board of the corporation."

It is a pretty serious thing for a public official, say, out in Washington or Wyoming to find that a New York City newspaper and other papers all over the country have published unchallenged remarks in the annual report of a great foundation which he has never had a chance to protect himself against. [Reading:]

"15. That the fact base of all generalizations and proposals made with regard to the fields involved in such proposals be clearly stated, together with the proposals, namely, how many men were seen; how many record; were examined; how long the investigation took; what conferences were held," etc.

"16. That each national charter require that all facts regarding matters to come before trustees at board meetings or before committees authorized by the board be submitted to trustees or committees at least 10 days in advance of meetings, and that all reports of action taken by committees be reported to trustees not on such committees immediately after such action is taken, and that consideration of any matters which have not been so reported to the trustees in advance be prohibited except for emergency reasons to be spread upon the minutes of the board.

"17. That membership by officials or employees of National, State, or city governments or bodies upon the boards of foundations be prohibited on penalty of forfeiting the foundation charter, and that when trustees are elected to public office they resign their trusteeship."

You can draw a map of the United States, and there are scores of men that can not say out loud a thing about the general actions of foundations or their relations to his particular State or section, because they are members of big national foundations, college presidents here and there, etc. [Reading:]

"18. That charters specifically prohibit foundations or officers speaking for foundations from recommending or urging the appointment of individuals to public or private officer, such as membership on boards of education, presidents of colleges and universities, professorships, and further require that all recommendations by officers in their individual capacities with respect to fields within the foundation's scope be reported to the trustees in writing and made a permanent record."

The secretary of the General Education Board told two of us for this commission that he has kept trying for the last 13 years to prevent people putting him in the position where he must make decisions for them with regard to prospective employees. Four heads of four great national foundations, in position to give or withhold money from local organizations in this city—in position, through interlocking directorates, to determine progress or retrogress by use of money all over the United States, and particularly in this city—sent to the

mayor of the city of New York, and got other men to send, a protest against re-appointing to the board of education its president. It makes no difference who the man was; I am not interested in the man; he may have been the right man or the wrong man; but the point is that those men never saw him; they could not pick him out in this room, and they had not studied his work, and they were men who could not pass a mark of 13 per cent on the big questions involved in what they were protesting against. Now, if that can be done in New York City, it can be done in Madison or in San Francisco, and whether they do it by the form of signatures or letters, it is but a detail, and if you ask them why they do it, they will say that they are exercising their rights as free American citizens. I am suggesting that when that right is exercised, and the foundation's name or the name of the general board is used to give momentum to that statement, the facts should be made of record, so that when the report comes in and is examined it will be found that the trustees or the executive officers have been negotiating their prestige in the community to that extent. [Reading:]

"19. That charters be refused where a majority of incorporators are of the personal staff of the donor or are responsible to the same men or institution; and that charters be withdrawn when a majority of a foundation's members or executive committee become of a donor's personal staff or of a single organization."

The General Education Board started with one member of the donor's staff on its executive committee. To-day the majority are on the executive committee. Two others are salaried officers, and the last is so intimately personally connected that practically the full control is in the personal paid staff; it happened in this case to be one donor. It was stated here the other day that men who had been chosen to fill the places of the great men who were acting without salary were men of similar kind. They are not. They are paid secretaries and officers who are in the donor's personal staff. For the same reason the Rockefeller Institute—the powers were originally given to the technical men who are honest and supposed to stand for it, but they have been delegated back by the process known as "Indian giving"; they have been delegated back to the trustees in the personal staff of Mr. Rockefeller. As the letter reads, "the powers that usually go with the directors of such a corporation," and it is to prevent that happening, after the donor has gone, and to prevent the control under any one executive management that I suggest this nineteenth proposition. [Reading:]

"20. That an outside vote upon persons proposed for membership be provided, but that this vote be by representatives of the public or by persons chosen by public officers, and not by specific officers of private agencies, such as those named in that bill.

"21. That, in view of the European war, this investigation be continued to include a thorough investigation and report as to the use made by the Carnegie Peace Fund of its funds and opportunity between the time of its founding and the outbreak of the European war."

And, finally:

"22. That such recommendations regarding foundations as are finally adopted by the Commission on Industrial Relations be specially placed before the following officers of every State—governor, executive officer responsible for supervision of charitable agencies, executive officer responsible for supervision of education, and attorney general."

Chairman WALSH. Perhaps you had better go ahead; I have some other questions to ask, but you had better go ahead now and make what further statement you desire to make.

Dr. ALLEN. The interlocking of directors and donors has been pointed out. The interlocking of directed and donees needs to be pointed out, because it is more important. No sooner does one of the great foundations turn toward or against a man or an institution than veritable hordes of people or institutions needing money or favor also turn. Newspapers turn. Subordinates turn. And the response is quicker, too, in the field of philanthropy and education than ever it was in the field of business, because dependence is more communicative than avarice.

If the Rockefeller Foundation were to invite Mr. Lawson, of the United Mine Workers, to serve on its board, trade-unionism would be introduced in the course in ethics, physiology and biology, and economics in 300 colleges almost overnight and preached from 10,000 pulpits.



Interlocking loyalty of this endless-chain kind is at work, and will always be at work in spite of the best safeguards that can be devised, until chartered foundations are forbidden to give away money. I give two illustrations of such interlocking loyalty, one of family interlocking and the other of foundation interlocking. The family tangle is as follows:

A distinguished investigator is made head of the Rockefeller Institution for Medical Research; his brother goes to the Carnegie Foundation and makes a study of medical education, which maiden effort is thought by the Nation, including most medical men, to have been done by his much advertised and much deserving Rockefeller brothers; a sister works for a local agency, the public education association; the younger brother helps this board and goes on this board. The flocking of birds of a feather and the family connection puts them on a Rockefeller pay roll; added reason for helping the local society, added cohesion of Carnegie and Rockefeller boards. The result is that without leaving the family it has already become impossible practically for Bryn Mawr, or the New York School of Philanthropy, or for men intimately connected with the Rockefeller Institute to question, criticize, or frankly discuss part of the work of the Rockefeller Foundation, which is done by one of the two salaried investigators, but it is equally impossible for them to discuss frankly and openly any other Rockefeller activity.

The foundation tangle is illustrated by four pages of the December number of the Educational Review. I call your attention to the following: First, to an advertisement on the back cover. Second, to an earnestly recommended course of reading in the fundamental principles of American government, on the inside of the back cover, and to an editorial note. This editorial note is on page 538.

This journal is nominally an organ of Columbia University, a largely endowed institution, whose annual tax exemption is many times as much as would be required to conduct an organ of complete independence for telling the truth about the program and work of great foundations, with enough money left over for currently publishing fundamental principles of American government and fundamental principles not yet formally expressed by government.

The editor is the president of Columbia University, who has a list of advisory editors not named in this issue. Its clientele is described on the back cover advertisement as follows: "Every prominent student of education, both in the United States and in Europe; representative students of education, catholic in sympathy; the broadest and most able of American periodicals devoted to education."

To this influential body, which is said to contain not only part but all the cream of educational leadership, and to their classes of teachers and students, the following list of seven books is "earnestly recommended to those who wish to understand the full significance of the grave changes that are constantly being proposed in American social and political life, the effect of which, if entered upon, will be to convert a representative republic into a socialistic democracy." The words beginning with "earnestly recommended" are quoted by me. The list is as follows:

President Butler, of Columbia University, "True and False Democracy," and "Why Should We Change Our Form of Government?"

Grover Cleveland, "Presidential Problems," that cover, *inter alia*, "The independence of the Executive, the duty of the Government in the Chicago strike in 1894, etc."

President Lowell, of Harvard, "Public Opinion and Popular Government."

E. P. Oberholtzer, "The Referendum in America."

Senator Root, "Experiments in Government and the Essentials of the Constitution, with Clear Exposition of the Folly of Tampering with Them."

Ex-President Taft, "Popular Government: Its Essence, Its Permanence, and Its Peril."

Of six authors, one is dead; four of the remaining five are on Carnegie Foundations; two of them are heads of Carnegie Foundations. The editor of the magazine, and author of two of the seven books recommended, is also head of the Carnegie Peace Fund, of which Mr. Root is also a member.

A mere glance at this announcement shows that on the basis of the philosophy here earnestly recommended and on the motives which prompted that selection of works on the fundamental principles of American government there can be no peace that is worth having. The point of view can not adequately direct a peace fund, for it has not human reasons enough for peace to see the opportunities of a peace fund.

In this one picture we have the foundation tangle, Carnegie Foundation, Carnegie Corporation, Carnegie Peace Fund, Columbia University, and Educational Review. Every prominent student of education in the United States and in Europe and the endless chain of contact between people who have money to give or withhold and people who can not render the public service they want to render without money.

I hope that this commission will ascertain whether foundation money or money given by persons within or responsible for great foundations is being spent to publish and circulate this course of reading, calculated to postpone international and within-national peace.

Again, the editorial note on page 538 illustrates not only the foundation tangle, but illustrates a journalistic and foundation prostitution which is more injurious to mankind than the prostitution upon which Mr. Rockefeller's bureau of social hygiene has been working four years.

This first note has to do with the very core of the questions which have been before your commission the past three weeks. [Reading:]

"Certain educators, not named but known by name to the readers of this magazine, are referred to as educational 'sappers and miners' and as 'third-rate men,' whose school surveys have for the most part 'been dismal and costly failures.'"

These sappers, miners, and third raters are contrasted with the notably helpful and constructive educational inquiries and surveys "recently completed in and for the State of Vermont."

These jibes, which would be libelous if names had been mentioned, are particularly directed against a group of educators who conducted the New York school inquiry and who are here contrasted with the great superintendent who, as stated on the next page, "has always had clearly in mind the interests of the children and the schools that are provided for their training."

This editorial note does not say that the editor of the magazine, who is the presumptive author of the editorial, is also member of the commission whose Vermont report he commends and of the foundation, which at the commission's request, made the investigation and the report; nor did he say that the superintendent mentioned is also editor of this journal, but frequently affects its unsigned position, but was indorsed for the presidency of the college of the City of New York by the Carnegie Foundation president; nor that the editor of the magazine knows that the city's superintendent opposed the New York school inquiry and has opposed one advance after another for 20 years; nor that both the editor of the magazine and president of the Carnegie Foundation know that it would be hard to choose a less equipped man for the city college. But interlocking loyalty must praise or blame according to "follow the leader."

I can say, and I can say with a smile in my heart, that if I live 100 years, I am going to have to pay, in social connections in personal connections, and in professional connections for talking even as I am talking here to the officers of this commission, but I can not let these things go unchallenged.

But they speak of all these sums including millions and millions yet to be contributed, perhaps as the results of the efforts of the General Education Board. In the totals for the period ending June 30 are included for farm demonstration, and so forth, totaling \$140,000, nearly one-fourth of all they have given in the 13 years which was to be spent during the current year, and which fact was not reported in the public statement. Even for spending a considerable portion of this sum no plans have as yet been made.

Although the board's part in several of the activities was not that of initiator or responsible agent, the headlines for the publicity items, which means headlines suggested to editors, read like these: "The Boys' Corn Club movement," "The Girls' Canning Club movement," "Educating the negro," "Farm demonstrations," "\$117,000,000 dedicated to education," and so forth. I have these heads put on just to show us the nature of the heads. Mr. Ivy Lee testified he prepared the headlines on publicity. These are suggested headlines for editors all over the country, and they do not speak of Mr. Rockefeller's "part with reference to" the Girls' Canning Club, or the Boys' Corn Club, or the \$117,000,000 dedicated to education, although by far the greater part of that was given by other people. But the report itself reads, on page 17, that "The board has initiated several distinct, though related, lines of activity which will be described in this volume." Not one of the activities described was initiated by the board.

Whether it was intended to misrepresent is less important than the fact that these headings which mischaracterized the General Education Board's contribution did lead to misrepresentation.



Although the board was established before Mr. Rockefeller gave it any money, and, so far as the records show, without Mr. Rockefeller knowing anything about it; although his first gift was made several weeks after it started and was then only \$10,000,000; and although the expression "Founded by J. D. Rockefeller" does not appear in the charter or the constitution or the correspondence, it does appear in the preliminary announcement of the recent reports in several of the newspaper items prepared by a member of Mr. Rockefeller's personal staff, not on the General Education Board, and in the first sentence of the book.

Chairman WALSH. What is this book?

Dr. ALLEN. This is the General Education Board's report for 1912-1914. There was not a time in the three years that they spoke of that board as being founded by Mr. Rockefeller. He made it perfectly clear that he was one of the several that wanted to come in and help that proposition.

Extensive misrepresentation appears in the chapter on farm demonstrations. Perhaps the most important is the misstatement on page 25 that the Federal Government held in 1906 when the General Education Board began to finance farm demonstrations "that Government funds could be spent only for interstate purposes," and that "the Government appropriation was not available for strictly educational uses." Though they say here, and repeat it over and over again, that education could not legally have been done by the Government, officers of the Department of Agriculture assure us by letter and by quoting acts and by referring to work done, that that was not the understanding at the time and never had been the fact.

Against the background of present-day comprehension of school problems and school needs the following statements in the report are shown by examination of original records to be not merely exaggerated, but patently contrary to facts, e. g., that the board started in 1902 to secure a thorough knowledge of conditions in the Southern States; that the surveys dealt fully with high-school conditions in the several Southern States; that the surveys dealt fully with the condition of negro schools in the Southern States, public and private.

Failure to make adequate annual reports for 13 years is excused by the statement in the introductory note to explain the board's failure to make detailed reports between 1902 and 1915; for example, "Because, as the board's work was felt to be experimental in character, premature statements respecting the scope and outcome of its efforts were to be avoided." Now there is not a thing reported there to-day which would have been premature to report in 1903, because the Government was reporting it. To me it is a tremendously significant thing that that book, prepared by the officers, should go out to the world as a lasting and much-thought-over product of the distinguished men now on the board of directors of the General Education Board with deficiencies that even a casual analysis show to be serious. Later admissions have come to the commission that with respect to this and that important feature of the report, publicity would not have been premature. Obviously, the two statements can not be true—that the early studies were thorough and dealt fully with conditions and that publication of results would have been premature. Yet the trustees of the board passed resolutions at their annual meetings in January, 1915, commending the report as being excellent and a great contribution to education, after which, of course, no helpful criticism may be expected from the trustees themselves.

Although in many respects this document is as vicious in its ex parte statements and its special pleading as anything Ivy Lee wrote regarding the Colorado strike, there are not a handful of educators in the United States who can afford to criticize it as frankly as they would have criticized it had it been given to the world by its author as Abraham Flexner, Louisville, Ky., one of the officers of the board.

Now the question comes up of pressure brought to bear to control sentiment. That is the book [handing a large cloth-bound volume to the commission].

Of a thousand men not two would guess from that book, after reading all the assurances, that they ever made it a condition anywhere that before the money was used they should see the man and approve the man. I want to read just two or three of the conditions that have been imposed. To President Alderman, of the University of Virginia, a letter was written May 1, 1905, stating that the General Education Board had appropriated \$3,000 for a professor of secondary education. They have furnished money for professors of secondary education to promote high-school work throughout the Southern States. They have conferences here sometimes in the offices of the General Education Board. The secretary stated that he generally saw the man before he was appointed. Now this is from the letter [reading]:

"The only additional condition made by our committee was that before the formal appointment of this member of the faculty you should confer with me regarding the man."

Last year and the year before funds were voted to Maine and New Hampshire to enlist the cooperation of State colleges, "it being understood that the agents to be employed and the work to be done shall first be approved by the secretary of this board."

Chairman WALSH. Of what board?

Dr. ALLEN. General Education Board. I am speaking only of the General Education Board. These are records which they have furnished us in answer to our questions. There are many of them. Personally I am not raising these questions because I have any question as to the excellence of the men or the method; but I am raising a question of whether any number of millions should be chartered by enactment with the power and duty of giving money on condition that a central private office anywhere in the world shall see the man first and shall approve the work first.

The Rockefeller Foundation's conditional offer to the bureau of municipal research: That John D. Rockefeller, jr., and Mr. Murphy, both of Mr. Rockefeller's personal staff and of the executive committee of the Rockefeller Foundation and the General Education Board, offered \$10,000 a year to the bureau of municipal research on condition that it change the method and purpose of spending \$100,000 a year, has been testified to by the chairman of the bureau.

That the bureau would have been given no money if its conduct had not met certain conditions, as stated by Mr. Rockefeller and Mr. Murphy, has been testified by the chairman of the bureau, Mr. R. Fulton Cutting.

That since the conditional offer was made no less than \$110,000 has been given or pledged to the New York Bureau of Municipal Research, has been testified to by the Rockefeller Foundation.

Regarding the desire and willingness of the Rockefeller Foundation to impose conditions, both the foundation and the bureau of municipal research are in agreement.

The only open question, and a far less important question, is whether in this particular instance the bureau, which later received \$110,000 in gifts and pledges, was influenced in its conduct by a conditional offer.

The original conditions, as stated to the two directors by Mr. Cutting immediately after his return from luncheon with Mr. Rockefeller, were these:

Stop out-of-town work.

Stop the postal-card bulletins.

Divorce the training school, founded by Mrs. E. H. Harriman, from the bureau, not only in organization, but physically, so that they would be in different offices, and, if possible, in different buildings.

Stop its New York school work. That was testified to by Mr. Cutting as to that part of the school work; and with one exception the only part of the school work that ever related to anything but administration, and in that particular instance the story about it appeared as a full-page story in the New York Press, the Sunday edition, illuminated by the nearly quarter-page photograph of one of my codirectors, who not only assumed full responsibility for the way we did the work I had supervised, but assumed full credit for all that had been done.

In exchange for these assets of the bureau, Mr. Rockefeller offered \$10,000 a year for five years, and help in raising a total of \$100,000 a year. This offer was later increased to \$20,000 a year for five years. The record shows that within seven months he had actually given or pledged a total of \$110,000 for 1914 to 1918. When Mr. Cutting came to my office at the bureau to report this offer he began by saying, "They are most amazing people, most amazing, and if it were not for the money I wouldn't have sat in the room and listened to them."

In May Mr. Cutting stated, first to me personally and later to the board, as he testified last week to this commission, that the bureau was sadly in need of funds, and that Mr. Rockefeller's offer was the last hope of continued support. And he stated, in detail in conversation with me before the meeting and later to the board, that a certain large contributor, not Mr. Rockefeller, was very much provoked at him, personally, and at the city chamberlain, and would not give any more money to the bureau directly, but could not refuse if Mr. Rockefeller used his influence, or, as he said to me, "Mr. Rockefeller, with the force of Standard Oil behind him, will compel him to give."



The principal conditions were sent in writing to each trustee by me, as secretary of the bureau's board. Notwithstanding Mr. Cutting's testimony, this commission has requested the letter from the bureau. Mrs. E. H. Harriman was a member of our board and had raised money for the training school. Mrs. Harriman asked me to see her. With my letter in her hand she began the conversation:

"Mr. Allen, I am going to keep this letter as long as I live. Nothing has ever made me realize as does this what a grasp money has on this country. Who is this man and what has he ever done to justify his telling the bureau of municipal research what we may or may not do with respect to our program."

Commissioner COMMONS. This was Mr. Rockefeller that is here referred to in the letter?

DR. ALLEN. "What has he ever done for New York that makes him the proper judge of our work, and what is his paltry \$10,000 toward our program?"

I was advised not to remain for the board meeting two days later, at which the subject was to be, should have been, but was not, the principal subject for consideration. Mrs. Harriman urged me to return at once to the University of Wisconsin survey, "without recognizing the Rockefeller offer even by so much as going out of my way five minutes."

In regard to this, and as a confidential matter, I immediately called up my two colleagues, Mr. Bruère, who used to be a colleague, and Mr. Cleveland, and said I had had this meeting with Mrs. Harriman. I think I used an expression like this, that if we would hold our horses and not be stampeded we could make it possible to go on with the program that had been so close to us for years without having to accept any man's conditions as to what we should do.

The occasion of the Rockefeller offer seems to me to be of great significance.

The invitation to lunch came to Mr. Cutting from Mr. Rockefeller while the trustees of the bureau of municipal research were in Mr. Cutting's office reading aloud an answer to this report made upon the bureau's educational activities by an officer of the General Education Board who was acting in this instance for Mr. Rockefeller personally. The telephone message came to Mr. Morawetz, who, as this commission has declared and has been testified to before this commission, was at that time a member of one of the Rockefeller committees. Mr. Cutting testified that he had not known in April of his connection of Mr. Morawetz, and he does not yet know whether any other trustees of ours knew that at that time Mr. Morawetz was not on our side asking for money, but was also on the other side advising Mr. Rockefeller privately about our program.

The report in question by Abraham Flexner was believed by Mr. Cutting to be superficial, unsound, as he stated the other day, to be unfair, and prejudiced. Yet the purpose of the lunch was not to talk about the injustice which had been done to the bureau by Mr. Rockefeller's agent. Instead, Mr. Rockefeller played safe and offered money to two multimillionaires who were fresh from preparing, as trustees, a document which proved the ruthless disregard of true and fair and scientific methods by Mr. Rockefeller's agent.

Had the same kind of attack been printed by Tammany Hall, Mr. Cutting would have been willing to spend thousands of dollars in getting the truth before the public. Had it come from Mr. Rockefeller with assurance of no further financial aid, Mr. Cutting would have felt that his reputation and the bureau's reputation required a fight to the finish until the facts were established.

There is just enough truth in Mr. Cutting's testimony that the bureau's opinion was crystallized and not influenced by the Rockefeller offer to explain how honest men with careless memories could persuade themselves that they were not being unduly influenced by money and power.

The true part of the statement is that the bureau had for a long time considered financing its local work and out-of-town work separately. I had months before, as recorded in our minutes, secured the promise of a bank to loan money on contracts received for out-of-town work. The rest of the statement is absolutely not true. No one had dreamed of giving up our publicity for any other reason except inability to secure funds for it. Nothing was more of a surprise than the proposal to separate or divorce the training school from the bureau. It is not true that there was any intention to discontinue the bureau's work in connection with the New York schools. On the contrary,

we were "out of the woods," so to speak, and had a free field for cooperation with schools such as no agency had ever had before.

Mrs. Harriman had just given \$5,000 for it. We had asked for it, and she had given it. We had acknowledged our responsibility and opportunity in the school field as we never had before. There is no absence of records in minutes and publications about our work in connection with schools. Here is a document, Six Years' Municipal Research, referred to the other day, stating what we have done. Mr. Cutting testified that we had not used money, and the board had not in any way authorized school work. But, as this report shows, there was \$11,000 given into this school work, not including Mrs. Harriman's \$5,000 and other items. There is a list of publications regarding schools and curiously enough, I think, it is a rather interesting fact.

Chairman WALSH. What document is that, please?

Dr. ALLEN. This is "Six Years of Municipal Research for Greater New York."

Chairman WALSH. What date?

Dr. ALLEN. 1911.

Chairman WALSH. By whom?

Dr. ALLEN. The bureau trustees; signed by all of the trustees, officers, and read by them before signing. And, by the way, particularly and very carefully and very happily read by the trustee who has been mentioned to you as having withdrawn because of publicity this year, which publicity again was under the joint direction of the other director and myself.

Commissioner COMMONS. You mean Mr. Cleveland?

Dr. ALLEN. It was Mr. Cleveland at that time; it was only Dr. Cleveland and myself.

I want to call your attention to the first two lines of this document, "no comment has ever been made by the bureau that did not relate to some specific act or record." Here [indicating document] is the story of how we have worked at different times to get the school inquiry and here [indicating document] are random statements from different educators about these bulletins that have been so objected to; here is one from the president of the National Education Association and division superintendent and other city superintendents.

Speaking of that publicity, may I inject this: We have been sent—the commission has—a number of clippings illustrating the objectionable publicity. Among those clippings is one where the word "civcity" is underscored as being very undignified. "Civcity, like charity, begins at home." Civcity means civic interest. There are several of those, and this has a personal side that is at least interesting to me. Here was a movement to fully deal with in cooperation with some educational agencies and represented an extremely important principle, representing the same principle as the national university project, which is being fought by these same privately endowed large institutions; and because we were trying to put it over, because we were trying to talk so that people could understand what we are saying, we are told that this thing must be stopped, and that it is undignified and objectionable.

I want to read one of them. Here is another bulletin with regard to the police. This chart shows the complaints made to the police department that have been put back from the police commissioners. The little notches or squares show the ones that were reported, and the black marks show those which were not reported.

(A leaflet entitled "Efficient Citizenship," issued by the Bureau of Municipal Research, 261 Broadway, New York, June 16, 1913, was submitted in printed form.)

Now, I want to show something that illustrates what happens when a leader in education becomes an apologist and becomes a vassal because of conditions that have to be explained. There are several of these down there. Here is one thoroughly approved and suggested, as it happens, by Mr. Cutting, and thought to be very clever at the time of issue. It starts off, "To Hell with Reform," with a question mark over it; and inside, for the record, I would like to read a number of the headings: "Blind man's buff is over," "The dust of years," "Substituting work for soft snaps," "Out of commission." And there are others. Here is the pamphlet from which I am reading. This is a publication of the bureau.

(At this point the witness submitted a printed pamphlet entitled "Municipal Reform Through Revision of Business Methods, New York City." Published by the Bureau of Municipal Research, 261 Broadway. July, 1910.)



Now, the records show, for example, that I made the first move to secure the western trip of the mayor and school board president which has already done so much for vocational education. The only one of the Rockefeller conditions that favored any previous bureau plan was the particular proposal which Mr. Cutting testified the bureau has not even acted upon, namely, to discontinue the out-of-town work.

For the board meeting in May, to which I was asked to return, I sent from Madison, on May 4, the following advance notice to Mr. Cutting [reading]:

"I shall stop for bureau meeting at Grand Rapids May 7 and for training-school meeting at Princeton May 8, reaching New York on May 9."

The following facts I want you to know in advance as to my personal position on reorganization. I do not intend to do more than state my position and answer any question the board may wish. Whether my work entitles me to an independent position others must judge. Having it, that I should state it seems clear:

1. To restrict the bureau men to New York City and New York State will not work, I believe, with men big enough to do the New York work.

2. To assume that the national organization shall not have a direct permanent New York base will, I believe, defeat in large measure and limit its influence.

3. To deprive the national organization of a name which shows its lineage is, I believe, to injure both services.

4. For the local and State bureau to promise to avoid any field whatever, not to mention education, I personally regard as a disloyalty to the principles which originated the bureau, and as an extravagant bargain both in influence and in money.

5. To restrict the training school work in New York to bureau supervision as in the proposed reorganization is, I believe, unfair to the training school and an unjustifiable restriction of its capabilities.

6. To have the present bureau trustees select or censor the proposed trustees of a national organization is, I believe, a mismove.

7. To attribute our failure to have funds to failure of utmost or even considerable effort to get funds is, I believe, contrary to the record. In my belief no New York civic work ever received so much money with so little effort.

It was to discuss these points that I came East. To discuss them I was asked to come to Mr. Cutting's house. Most of our discussion was with regard to point 7, namely, whether I was correct in saying that poor as we were we were not poor enough to make such a poor bargain with Mr. Rockefeller, and our poverty was due not to our cause but to our method of trying to raise money. When at this meeting Mr. Cutting told me that they hoped I would head the out-of-town work as he had written me April 16, I told him that never again, so long as I lived, would I, if I knew it, take money from a man who would go back on a movement at the height of its success.

When he pleaded that Mr. Rockefeller's Standard Oil influence would force a distinguished and venerable philanthropist to give money to a cause he did not want to help I told him that our kind of work could not be done with that kind of money.

Although I had come back from the University of Wisconsin survey on purpose to discuss the Rockefeller proposals and the reorganization plans that had been crystallized by those proposals no mention of the purpose of the meeting had been made in the call sent out by Dr. Cleveland. The greater part of the time of the board meeting, however, was given to the discussion of the Rockefeller proposals. This was May 13, more than a month after the proposals were made, yet the trustees dispersed without passing any resolution not to accept the conditions.

Instead of passing resolutions they spent most of the time trying to show me why the proposals should be accepted. Mr. Cutting pleaded before the other members our inability to raise funds. Prof. E. R. Seligman, of Columbia University, had had a private talk with Mr. Cutting and took the aggressive at the meeting. He said, "Gentlemen, this is a very simple proposition. The Rockefellers have determined to eliminate the bureau," and Allen, "from the Maxwell-Churchill school fight."

At the last board meeting, when our school activity came up, Prof. Seligman had said: "Every time I have gone into this matter I have found Allen in the right." Our only part in the so-called fight had been to get and publish facts or help school officers get them.

My answer covered the ground of the statement published in October, although more bluntly. I told the trustees that the acceptance of these condi-

tions or the withdrawal at Mr. Rockefeller's instance from even one field of public education would make me feel that my personal reputation was tarnished, that the reputation of every man who had been associated with us was tarnished, that the world would never believe one of us and would not believe in the integrity of public officers who had gone out from our group or with whom we had been intimately associated, and that such act would seriously injure every bureau of municipal research in the country, and striking at the capital character of every man who had been associated with us.

When Prof. Seligman asked why I felt so sure that I was right when the others disagreed with me, I told him that I felt sure because I was taking the position which we had always held since the bureau was organized.

I have here several things which I have not time to read which I would like to submit, in which Mr. Cutting cites his position as to the reason for the differences with the board.

When he, Prof. Seligman, asked if I would be willing, after our many years of association, to pull down the pillars of the temple, as he put it, I told him that those who wanted to accept conditions were about to pull down the pillars of the temple by destroying the temple's spirit.

Once before on the only other occasion when effort was made to throttle our independence Prof. Seligman, at a board meeting, had been the one to say, "Gentlemen, the minute we do anything or stop doing anything because of outside influence, it will be the beginning of the end of the bureau of municipal research."

But the cat got out of the bag and Mr. Cutting let it out. The directors found there had been a secret meeting between certain people and certain of our trustees. The directors went down there and said, "Gentlemen, we must have a showdown on this thing now," and they did, and the board decided to make up its mind with reference to what was right and without reference to outside influence.

Mr. Chairman, it is 10 minutes of 1—

Chairman WALSH. I was going to ask you just one question, please: In the written statement made by Dr. Cleveland he heads one portion of it, "Facts about the Rockefeller Foundation's subscriptions and influence," and he mentions many dates and occasions upon which you yourself requested contributions from Mr. Rockefeller. Make any comment you may have to make on that.

Dr. ALLEN. It is all true, Mr. Chairman. Anybody that knows anything about me knows that for 15 years I have been on the begging side of this foundation proposition and have even written a book about it. But there is all the difference in the world between trying to get Mr. Rockefeller to do something you think is right and helping Mr. Rockefeller do something that you know is wrong, and that is the difference that they have not seen in that document. At the time I made those propositions to Mr. Rockefeller he was an independent factor and he was not surrounded by men who put blinders on him, as has been done since the so-called foundation has started. Mr. Rockefeller and I talked about this thing. It was known here for 18 months and generally talked about that Mr. Rockefeller's secretary was going to help smash the bureau, and he called my secretary down to his office twice for this thing, and he offered her a job, and I thought she was going to take it, but she refused his offer of several hundred dollars advance, and he raised it again several hundred dollars, and then he asked her what her figure was, and if she had been a man she would have used language that would have given him an idea of her indignation. She came back thoroughly indignant. And he told her then in February that she had better come to the foundation, because it would always have lots of money, while the bureau was in danger of losing its money. In fact, he thought it had lost its money. I went over a similar threat with Mr. Rockefeller after a meeting of school superintendents down in Philadelphia about a year ago, or about two years ago it was, and a trip to the Pacific coast. By the way, Mr. Cutting told you that most of my work was school work, and the commission has asked for the distribution of time, and they have sent you a list of the out-of-town work. Now, it happens to be the out-of-town work and that was done by the training-school men that are now being patronized in their references. I went out to the Pacific coast and it was I that got the Denver survey, the Los Angeles survey, and the Portland survey. And while I was out there I had letters from superintendents and other men in the country saying there had been a conference in Philadelphia in which was planned a campaign to get the bureau's support.



Later in the summer Mr. Rockefeller asked me to come down to talk about some of this publicity, and in the conversation he said, "You are making a personal fight on Mr. Maxwell." I said, "Where?" He said, "You have said this and said this and that." I says, "Let's see." There were about 20 cards he had and there wasn't a personal reference on any one of them. And when I got through with them I said to Mr. Rockefeller, "Mr. Rockefeller, what has happened is that we have stated the facts impersonally; it has sunk home; and because these facts disclose work which you do not like you have made a personal conclusion from it."

In the course of that conversation I said to Mr. Rockefeller over and over again, "They say they are going to get our financial support," when he said, "I have never heard anything of it," and I replied, "That is natural; but your secretary has heard of it." That was in August, nearly a year before this whole thing came up.

Chairman WALSH. Prof. Commons, did you have some questions?

Commissioner COMMONS. What have been your relations with Mr. Cleveland since the bureau started?

Dr. ALLEN. They have been extremely intimate. I knew him in Chicago and in Philadelphia, and I asked him to serve on the original committee that made the report about school affairs—he made the report, the greater part of it; I did not. Mr. Cutting signed it and it is that document that is the foundation of these enmities we speak of. We were extremely intimate.

Commissioner COMMONS. When did your first disagreement arise, and on what ground?

Dr. ALLEN. The first disagreement arose—I will tell you the conclusion of it, and then I will go back if you wish. The last words of the disagreement were, "Cleveland, if a million men"—we were standing at Thirty-third Street and Broadway—"if a million men were to come to me and tell me on their honor that F. A. Cleveland was pussyfooting around with the trustees and talking and gossiping about the office business, I would have told the millionth man that it could not be true." We never had any disagreement until the whole thing was over; and he had had conversations with the trustees and all sorts of things had happened that I never heard about.

Commissioner COMMONS. What date was that?

Dr. ALLEN. Nothing that I knew was a disagreement happened until I came back from Wisconsin.

Chairman WALSH. What date?

Dr. ALLEN. Well, in the week probably somewhere between April—we had two disagreements. Well, they are a matter of record, fortunately, and I have the records here which show what they were and the issues involved; and they were after I had gone out to Wisconsin. Now, if you mean by "disagreement," if we disagreed as to method—

Commissioner COMMONS. That is what I mean—on method and policy of the bureau.

Dr. ALLEN. Well, I thought you meant personal disagreement. Now, I have very few friends I have not disagreements with as to methods; but nothing that you and I would not have, talking about the time of day or at luncheon, until this thing happened. We had exchanged memoranda in—I suppose it began in—February, 1914. The doctor disagreed about the national commission upon efficiency and economy. I felt that if it had told the public more it would have had more success. I raised the money for one public campaign to secure funds for it from Congress at the time the thing was on. I told one of our men that I believed with \$10,000 a year used in telling the public what we already knew about these things, we could accomplish more in regard to national efficiency than with a quarter of a million dollars the way Dr. Cleveland's commission had been spending it on scientific municipal research. It took about five minutes for that sort of thing to get to my colleague; and before I knew it this thing was a matter of offense and had been reported to the board as a serious difference.

Commissioner COMMONS. Did Mr. Cleveland send in his resignation on account of a dispute with you?

Dr. ALLEN. Yes; as it has been introduced in evidence.

Commissioner COMMONS. Mr. Cleveland mentioned this morning, I think, it is in that published statement, Mr. Cleveland—

Dr. ALLEN. Well, he sent it, yes; but that is only a part of it. No one could have gathered—

Commissioner COMMONS. What date was that resignation?

Dr. ALLEN. I think it was in March. I hope you will ask for it, by the way, because it says some things that I think, as long as this is on the record, ought to be in.

Commissioner COMMONS. Well, it has been mentioned by Mr. Cleveland this morning. I am sorry you did not hear it; you might have made the connection—

Dr. ALLEN. I got the connection. I know it. I have got the thing here, I think.

Commissioner COMMONS. The question is what are the circumstances regarding his resignation at that time, and what was your relation to it?

Dr. ALLEN. The resignation was the result of something that he had not explained to me, and I and others in the office did not know to exist, and it was a part of this campaign that I have referred to as a private conference with board members about difficulties that I did not know existed.

Commissioner COMMONS. Were they or not personal differences or differences of policy as between you and him?

Dr. ALLEN. So far as I know, they were entirely differences of policy.

Commissioner COMMONS. And what were the policies?

Dr. ALLEN. The fundamental difference of policy had to do with the training of men in the school for public service.

Commissioner COMMONS. And what was his position on that question?

Dr. ALLEN. Well, they were several. He proposed, for example, that every man we took in should spend six months on what was called scientific research, six months as a staff member and six months in the office. My answer was that the scientific work should be done by the colleges before the man came to us; that we ought not to take a man whom we could not expect to do the scientific work. That my idea of training a man was not to go and let him get lost six months on some scientific study that nobody would supervise or know about, but to put him on the jump up against something to-day, something different this afternoon, and something different next week so that we would find out if there was a yellow streak in him, or if there was not a yellow streak so that we might find out the weak or the strong points and quickly size the man up and find whether he was the man who could do our kind of work. And with regard to the office, I told him that many of our men could get in six hours all they could get in six months from our office.

I hope you will call for the exchange of memoranda, because it does have an important bearing on the foundation question.

If Mr. Rockefeller had liked this publicity, if he had wanted the sort of things that were being done in the schools, the rest of this thing would have been entirely different.

Commissioner COMMONS. Did he disagree with you upon any other subject of policy—Mr. Cleveland I am speaking of now.

Dr. ALLEN. Yes. Will you ask the sergeant-at-arms if he can find outside somewhere—I had all that stuff right here—the Cleveland memoranda.

(Here envelope of papers handed witness. See Allen exhibit.)

There was the question of assigning men to public officials. That was one. In the original announcement of the training school we had letters from a number of men and in the original announcement that particular class of work was featured.

It was published in accordance with that idea, and we have letters from Mr. McAneny, Mr. Prendergast, Mr. Mitchel, and Mr. Fosdick, all suggesting they would like that kind of relation; and it is true that Mr. —

Commissioner COMMONS (interrupting). What else? I have a memorandum from one of my colleagues asking me to shut down; but I have—

Dr. ALLEN. It is all clear on the record, and I hope you will call for it all.

Commissioner COMMONS. What was the other point of disagreement between you?

Dr. ALLEN. That is one of them.

Commissioner COMMONS. What other than training schools, publicity and what else?

Dr. ALLEN. No; publicity I was not aware of until I heard that statement yesterday, that there was a serious difference as to publicity, because at that time all the publicity was going over his desk, as did these objectionable things, and I had no—there was no indication at the office.



Commissioner COMMONS. What was the other point of difference at that time?

Dr. ALLEN. Well, I was very anxious to have staff meetings and have them frequently. We did not get those. And he promised to have them, but we did not have them.

Commissioner COMMONS. What else was there?

Dr. ALLEN. The division of labor; we asked for—he asked for a division of labor, and I was very glad to have it. I have the memorandum here showing that although we divided, the division was on the basis of my carrying most of the labor of the pressure sort, that had to do with getting things off our desk.

Commissioner COMMONS. What was the other question of difference?

Dr. ALLEN. Well, if he has testified to any, why don't you ask me if it is so? I don't know; I will answer anything—I didn't know that these personal matters would—

Commissioner COMMONS. I have not made a memorandum.

Dr. ALLEN (continuing). Would justify your commission's attention; but I am very glad to go into them if they are relevant.

Commissioner COMMONS. Well, I think the rest of it can be answered by submitting his testimony to you.

Chairman WALSH. That is all; thank you, Doctor. You will be excused.

Dr. ALLEN. May I put just two things into the record?

Chairman WALSH. What are they?

Dr. ALLEN. One is a letter from Mr. Wickersham with regard to enemies; three lines: "You can not expect to turn the light in on abuses without evoking screams of protest. Sometimes a man's best credentials are furnished by the catalogue of his enemies."

The particular card that gave so great offense last year was a card in which my colleague was as much interested as I, calling attention to the fact that our reform friends, the board of estimate, had appointed as chief official examiner a specialist in the Irish drama, and that led to a member of our board protesting, and an officer announced to his staff that there would be no more publicity, and there has not been very much since.

The second thing I want to put in the record is a report that was made by the—about the General Education Board's officer acting for Mr. Rockefeller upon the educational activities of the bureau of municipal research and the bureau's answer. The essence of the report is that if it is possible—these are the two reports—that if it is possible for an organization with the methods used to circulate privately or publicly the kind of statement that is made in this report and based on a lack of evidence represented by this report, if that is possible—and our trustees agreed with us about that—and here is the answer of Mr. Cutting to the blackguarding statement as unjust and particularly cruel in reference to the men who have done wonderful work in different parts of the United States. If it is possible to do that there is almost nothing that it is not possible to do in the name of the foundation for the welfare of mankind, and I want to speak of that in the record.

Chairman WALSH. They are before the board.

(Three printed pamphlets referred to and presented by Dr. Allen at this point as exhibits are entitled, respectively, "The Educational Activities of the Bureau of Municipal Research of New York; a Report to the General Education Board," by Abraham Flexner; "Regarding the Educational Activities of the Bureau of Municipal Research and Training School for Public Service; Mr. Cutting's Reply to Mr. Flexner's Report to the General Education Board"; "Six Years of Municipal Research for Greater New York, Record for 1906-1911," published by the Bureau of Municipal Research, 261 Broadway.)

Chairman WALSH. There are witnesses here whom, on account of the lack of time, we are unable to call. And I want to say that at a later date in New York probably there will be an additional hearing, of which public announcement will be made, or the witnesses will be called at a hearing which will later be scheduled in Washington, D. C.

Also, the investigators of the commission will call upon certain of the witnesses for written statements in answer to questions. The hearing will now stand adjourned without day.

(Thereupon at 1.08 o'clock p. m., Saturday, February 6, 1915, an adjournment was had sine die.)

## STATEMENT OF MR. R. M. HUNTER.

PHILADELPHIA, January 26, 1915.

CHAIRMAN INDUSTRIAL RELATIONS COMMITTEE.

*New York City.*

DEAR SIR: According to the newspapers there have been some important business interests examined by your commission, but it seems to me that testimony such as is given by capitalists at large and those representing big business is always directed to finding a "cure" instead of treating of the "disease," which has ever existed between capital and labor. The differences will always exist so long as present conditions exist, even though the differences may be mitigated to some extent. When the Clayton antitrust laws were being prepared, I carefully went over the rough drafts and submitted my views in redrafts and amendments to Senator Newlands, chairman, having the preparation of these laws in hand, and I pointed out to him at that time that while the laws could be made excellent for their intended purpose, they did not hit the nail on the head. They did not reach the seat of the trouble.

I have advocated for many years that the trouble which exists, and will ever exist under the present system, lies in the fact that there is no restriction on capital engaged in interstate commerce for exorbitant, or what we may call usurious profits, while on the other hand, the working classes are dominated by their employers. No matter how high wages may be placed, the cost of living keeps increasing at a more rapid rate, and this is augmented by the natural increase in education and refinement of the working classes, who expect more of the comforts which they see surrounding the classes who are more successful in life.

After 40 years of constant association with corporations and those interested in corporations, backed by a more or less personal experience in these matters, and also by the preparation of thousands of contracts for such corporations, it is my opinion that the whole trouble lies in the unrestricted usurious profits possible by use of capital. There is no reason whatever for limiting the use of money on a mortgage to 6 per cent and making it a penal offense to charge 7 per cent, while permitting the same money to be juggled in commercial enterprises, and by credits enabled to make a return of 1,000 per cent.

The Massachusetts investigations under the insurance act seemed to show that manufacturers make at least 400 per cent on the cost of the materials entering in manufactures, whereas labor is only paid at about the rate of the cost of the materials entering into the manufacture. It would appear therefore that capitalists were obtaining three times more for the use of their money which enters into the cost of manufactured articles than they allow for the men who do the work. Corporations are undoubtedly entitled to a reasonably large return because of the risks incident to general business, but this should not be unrestricted, because a foolish loan might cause the loss of the loaned money just as well as a foolish business venture based upon an attempt to secure exorbitant profits. After a very careful investigation of different corporation floatations based upon growing businesses, it appears that if a corporation were permitted to make 25 per cent net profit on the actual capital invested without any restriction as to the cost of operation for its plant and workmen, it could grow in enormous proportions by reinvesting its surplus each year into new capital; and yet at all times there would be a constant tendency to better the situation of its workers, as it would have no object whatever in making more than its allowed net profits except for the improvement of its plant and, may be, of its employees. This plan when worked out shows that the tendency would be to increase the skill of the employee, to lower the price of manufactured goods for the public, and to constantly increase the production of goods in fair competition, all of which inures to the benefit of the workers and the public, with more than a handsome profit to the manufacturer.

As professional men, if taken collectively, can not make more than \$1,000 a year per man, and as these are the educated people of the country, there should be a restriction to salaries for officers which would prevent a larger salary to a corporation doing interstate business than \$2,000 per year.

A system like this would work automatically and eliminate all necessity for unions, strikes, and all the evils growing out of such matters; it would bring the workers and the managers closer together; it would increase legitimate and healthy competition, and would ever tend to lower prices; no matter how high tariffs were placed, unfair advantages against the public could not be



taken thereby; and the thousand and one frauds against the public by capitalizing unvaluable alleged assets would be eliminated. We would not have to consider State institutions for the interstate business, as the big business and State concerns would have to fall in line, as they could not exist unless they did so.

Laws which would restrict interstate commerce business, whether confined solely to corporations or to individuals also, in the manner above outlined, would unquestionably solve the constant unrest of the employees and automatically improve the general conditions of the country without restricting big business even though it might prevent multimillionaires being made over night. Laws for carrying out this plan will certainly come to pass sooner or later, but naturally they will never be advocated by such men who come before you representing capital.

These thoughts, I believe, are matters which should not be lost sight of, and I submit them for your consideration.

Respectfully,

R. M. HUNTER.

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#### STATEMENT OF MR. CHARLES BUXTON GOING.

The fundamental question before the commission, as I understand it to be submitted to me, is briefly this: Whether under the present system of corporate organization with thousands of widely scattered stockholders, and with employees who may be without any organization or representation, it is possible to provide machinery which will insure the maintenance of proper labor conditions and the equitable distribution of the products of industry.

The answer, still more briefly, is that it is possible only by the acceptance of true ideals in the philosophy of both employees and employer, and by the use of intelligent and efficient policies of administration and management.

These ideals and policies can be established only through the moral pressure of enlightened public opinion. The hope of the situation lies in the fact that this opinion is at work, and that both its power and its results are increasing visibly. We can not hope for immediate and universal success any more than we can hope for instant universal goodness, or peace, or beauty. But, in spite of many and sometimes violent upheavals that seem to surge the other way, the history of the last 20 years at least, so far as the attitude and conduct of American corporations is concerned, is one of steady spread and growth of the spirit of the fair deal and of continual striving for a better understanding of the science and art of management.

My work for the last 15 years or more has compelled me to focus attention upon these movements, and so far as this observation goes the advances in what is really a great social and economic evolution have much more than offset the losses due to the extraordinary epoch of expansion, of industrial congestion, and financial centralization through which we have been passing. Industry has had to cope with this tremendous, almost overwhelming tendency toward coalescence into larger and larger units, rolling up, to quote a familiar figure, like a snowball. The same forces are seen at work in the Nation, the State, in our political institutions, in society, in the school. Everywhere we have the same problem. For example, we may see the life-savers along our coast doing immensely valuable and very hazardous service for meager pay and discarded without pension when they are superannuated. We may see mail carriers, great and small, compelled to carry enormous added burdens of parcel post without compensation. We may see teacher mothers dismissed for "neglect of duty." Toward all these things we are in much the same relation as that in which the stockholder stands to the individual employee. But Government administration evidently does not of itself enable us to make our individual just impulses bring proper treatment to individual employees. How are we going to keep track of the individual unit, the individual life, and see that it has its place in the sun? Industry has been trying as hard, I think, as any other province of human activities to find the answer. The same answer is given everywhere—organization. But organization must be adapted in its form to the purpose desired, it must be energized by true ideals and principles, and it must be provided with the best methods and devices. It is as yet deficient in all these directions.

The significant thing, however, in American industrial development in the last quarter century has been the earnest inquiry after, and the earnest preach-

ing and growing acceptance of, better ideals and better principles of conduct, better methods of management, and better devices for carrying them into effect. This is perhaps what Miss Tarbell meant by the "silent revolution." So far as my observation goes it has scarcely taken the form of a revolution, but decidedly it has not been silent.

There seems to have been, however, a distinct turning point early in the last decade of the nineteenth century. Just about the time when we saw on one side the keenest and in some instances the worst of activities of trust building there appeared on the other side new, or at least newly active, movements directed toward improving the condition or the circumstances of the individual worker, and especially toward preserving the individuality which the factory system first began to diminish, and the modern industrial system threatened to destroy entirely.

This movement so far as the employee is concerned showed at the outset two very definite phases.

The first was concerned with general conditions of living and working—with the provision of proper light, heat, ventilation, sanitation, very often food, and opportunities for rest and medical attention. This was known at first as "welfare work." It was not altogether altruistic in its motives. It was often frankly undertaken simply because of the belief that the worker who is well nourished and surrounded by good light, good air, and good hygienic conditions can do better work and is a more profitable asset than one who is ill-cared for; but even if selfishness had its part at the outset a better morality crept in. The standards of "reasonable working conditions" were gradually changed. Twenty-five years ago the establishment with well-equipped sanitary wash rooms, rest rooms, lunch rooms, recreational facilities, was a show place, and in the minds of old-time managers, a freak. Now the insanitary shop is on the defensive, and has no defense, even though, deplorably, we must acknowledge that it yet exists in unfortunately large numbers.

The second phase, and the one toward which my study has been chiefly directed, was the practical one of presenting methods by which the distribution and the products of industry should be altered to the advantage of the worker, and especially to the advantage of the worker who would cooperate in reducing the wastes of industry. It appeared to some of the most earnest and practical investigators of the manufacturing problem that progressive increases of wages very soon led around the circle to an increase of prices and an increase in the cost of living, so that the wage worker could buy no more with the larger pay envelope than he formerly bought with the smaller one. The employer, on the other hand, under rising competition, found the cost of doing business constantly rising and at the end of the year had diminished profits and less encouragement to carry on or expand his business.

So, while the trust promoter entered the field on the one side, proclaiming his imperfectly sound doctrine of the economy of consolidation, the industrial engineer entered on the other with the perfectly sound doctrine of reducing the cost of production, not by harder work, but by more intelligent work, by better directed work, by work of which less should be wasted in overcoming preventable difficulties, and of dividing this saving between the worker, the employer, and the customer. This meant a larger volume of production at lower prices, with higher wages, and better profits, out of which more industries might be financed.

This is, briefly, the conscientious aim and the earnest project of the efficiency movement and of the advocates of science in management. Out of their study and practice has been built by degrees, but with increasing rapidity, a new profession, industrial engineering, which is becoming as definite in its outline and as certain in its principles as the long-recognized branches of the profession. It has its differences of school of sect, as other sciences have, but it shows constantly increasing agreement on fundamental doctrines accepted by all practitioners.

Perhaps the first point of agreement is that ordinary "old-line" management will not serve under modern conditions to carry the purpose of the executive faithfully and intact down to the operative or to carry the needs of the operative back to the executive. It will not serve even to assure the control of materials, equipment, and methods in the job on which the operative is working. There are too many divisions and subdivisions all down the long branching line, and the so-called military system of delegating authority from manager to superintendent, from superintendent to foreman, from foreman to subboss, does not assure in any way that character, conscience, skill, knowledge,



tact, special fitness for the work in hand, will be distributed to each official in direct proportion to his authority. Many of the most important decisions as to when and how work shall be done, as to choice of methods, choice of materials, use of equipment, are left to the offhand decision of the worker in the rush and hurry of his work. Many of the matters that must affect the worker's personality and future are never brought to the attention or submitted to the decision of anyone above his immediate boss or foreman, the lowest noncommissioned officer in the organization.

All the more advanced methods, therefore, agree in the undertaking to establish a secondary set of activities, interwoven with the old-line organization, leaving to the latter the simpler functions of authority and discipline, but committing to this supplementary force the provision of special skill, expert assistance in the peculiar problems of the work, care of machinery and conditions, maintenance of the well-being of the operative, observation of individual merit, and provision of extra and individual compensation corresponding to superior individual performance. Whether this is done by the institution known as "functional foremanship" or whether it is done by the establishment of special staff or whether it is done under some application of the committee system, the purpose is the same. It is to restore the individual status of the workman and to establish definite channels, always open, by which he can receive special instruction and assistance in improving his position, special protection against loss through struggling with obstacles beyond his control, and special recognition for his individual achievement.

All these advanced methods of management are characterized more or less clearly by most or all of four features.

First. Analysis of existing conditions to find out exactly what is being done and to distinguish what is good and what is bad in the situation.

Second. Standardization, which means generally the establishment so far as is practicable of the best conditions, the best equipment, and the best methods for doing the work in hand.

Third. Instruction where necessary for the purpose of showing the operative how to do the work in the most efficient way, which means only the way involving the least fatigue and the least unnecessary waste of time or material. It does not mean working any harder, but it means making what work is done count toward productive results.

Fourth. Compensation; that is, an increase of the standard or established wage earnings proportionate to the increase of actual productive work accomplished.

In other words, the time or effort formerly lost in labor which, though it may have been equally fatiguing, produced no marketable result is now made profitable both to employer and employed—to the one in increased output and to the other in increased wages.

To establish and emphasize these four features, again dependence is generally placed on one major underlying idea.

This is, that every piece of work shall be planned as to method, equipment, materials, etc., and scheduled as to the time when it shall be done, the machine on which it shall be done, and the workman by whom it shall be done before the order to do it is issued, and that this planning shall be carried out by specially skilled persons, leaving to other and differently skilled persons the simplified duty of supervising the doing of the work.

Secondary to this major idea is the next most important, that the duties of the planning and of doing must either be further subdivided among specialists, each taking entire charge of certain functions, or else must be fortified by the provision of counseling experts, who do not themselves command but advise the officials who do.

Engineers, managers, and thinkers who agree on the main proposition differ decidedly, even caustically, over the secondary ways and means by which the principal purpose is to be carried out. I am perfectly well aware of their differences, which are as bitter and irreconcilable as religious sectarian differences or the quarrels between different schools of socialism. The Taylor group assert that to their system alone should the term scientific management be applied, and that nothing which does not accept its complete ritual should be received into the fellowship of the true believers. On the other hand stand the larger company of "free gospellers," who assert their faith in the same fundamentals but admit large latitude of practice, holding that the great object is to bring more science into management and that any methods which carry the industrial world even a little way along that road are to that extent praiseworthy.

I have been concerned, however, with agreements rather than with differences, because where competing counselors agree we may take it almost for granted we have located the truth; and the general agreement is that to locate the losses and wastes which impoverish both employer and employee, to uncover the facts which will lead to a fairer distribution of the products of industry, to open to every worker that possibility of best self-development which is the essence and aim of true democracy, to establish the physical, economic, and spiritual conditions under which industry can be made most profitable and at the same time most moral, we must recognize and incorporate into our methods of management and administration these fundamentals:

Analysis of conditions, to determine the facts and possibilities.

Standardization, to incorporate in our methods of work the very best practice possible under the circumstances.

Instruction, to give each worker as quickly and easily as possible the benefit of all the knowledge and experience acquired by his predecessors.

Compensation, to reward each man in proportion to his effort and his contribution to the wealth of the world.

Running rapidly over the principal wage and management plans which have been extensively adopted, these elementary features appear with differing degrees of emphasis.

Even in the premium plan, widely familiar to workingmen and employers, and scarcely ever, perhaps, thought of as scientific, we certainly have analysis, to the extent of separating each job for its individual timing; we have standardization, to the extent of agreeing upon some average time record as a reasonable mark for the next man to reach; we have instruction, to the extent, at least, of informing the man what his mates have done before; and we have compensation, in the form of an addition to his wages, equal generally to half the value of any time he may save. All the measures may be crude and imperfect, but the germ of the idea is there. Light has been let in on the conditions and influence is set at work by which the conditions are likely to be improved, although no stated provision is made for any activity other than the workman's own skill and improvement of conditions that are within his control.

The premium plan aroused wide discussion, almost created a sensation, when it was put forth in 1891. I think the opposition with which labor met it at first has been to a great extent relaxed, and it has probably found wider acceptance than any other system, perhaps even than all others put together.

Taylor's differential piece rate, or double piece rate, first advocated in 1896, went a good deal further into the scientific study of conditions surrounding the worker; proposed a rate-fixing committee to supersede the simpler records or less careful guess of the foreman under the premium plan; also carried a very strong suggestion that the management must cooperate in looking after the condition of machinery, the supply of tools, materials, and facilities for working, and other things by which the worker might be prevented from earning a premium through causes beyond his control. It changed the basis of compensation from day wage to piece rate, and also incorporated the harsh feature of penalizing the worker who did not reach the standard output as well as the happier one of increasing the compensation of the worker who did. It is noteworthy, however, because it foreshadowed the system later expanded, highly systematized, and in many respects vastly bettered in the Taylor system of shop management, which has now appropriated to itself the name of "scientific management."

In this latter system, as described in Taylor's paper on Shop Management, in 1903, the duty of the management to provide good equipment and tools, to study out good methods, and to give the workman the best possible opportunities to use his skill and effort productively was immensely emphasized. It was declared that in place of "putting it up" to the superintendent or the foreman or the man to get out the job, the management should cooperate, their share of the work being at least half the total of the work involved. Great stress was laid also upon the importance of standardization, upon elementary time studies, upon recognition of fatigue, and the provision of rest periods as definitely fixed as working times. A whole new scheme of organization was declared to be necessary, and a highly elaborated, or as it has sometimes been called, a highly ritualistic system, was described as essential to the complete and continuous carrying out of the principles. Extra compensation to the employee took the form either of a higher piece rate or a specified bonus added to day wages.

Just before Taylor's Shop Management was published, however, another most notable contribution to the betterment of industrial conditions was made



by Mr. H. L. Gantt in the publication of his Bonus System. He rather anticipated Taylor in advocacy of the advanced planning and scheduling of work, but the distinguishing feature of his philosophy is the definite provision made for individual instruction of each individual worker, so that he or she may see exactly how it is possible to perform the "task" and earn the increased pay. Second, even the learner or the worker who fails to accomplish the prescribed task is assured of ruling day wages. These are a guaranteed minimum for each case, while the successful worker receives in addition an added percentage of the day wage. This additional bonus varies according to the character of the work, but is very commonly 40 per cent. As under the premium plan, no one is compelled to try. He may work on in the old way if he so elects, but an opportunity is made and instruction is provided for those who feel their ability to learn the better way and earn the higher wage.

In Emerson's efficiency doctrines, which were first preached about five years after Taylor's Shop Management was published, the emphasis is transferred from the system to the principles. The great economic importance of advanced planning and scheduling of work is recognized, standard conditions are adopted as part of the regular institutions, and the regular "line" of the organization is supplemented by a staff of specialists, expert in the principal problems of the work and adequate to reach and help every worker. Individual performance is recorded and efficiency is measured, not job by job or even day by day, but over longer periods, either two weeks or a month, and is determined by comparing each individual worker's output with the predetermined standard output for the same period. Day wages are undisturbed, as in the Halsey and Gantt systems, but efficiency recompense takes the form of a premium added to the wages and graded on a sliding scale according to the individual record. It is peculiar, however, in that some premium is awarded even to those who do not reach the established standard. It begins, in fact, when a worker reaches even two-thirds of that standard, and increases on a rising scale up to 20 per cent added to wages of the standard worker. Perhaps, however, the most important thing about this efficiency philosophy of Emerson's is that it includes in its foundation principles not only the physical and technical matters characterizing scientific management, but the mental and spiritual ones of right ideals, the fair deal, common sense, competent counsel, and discipline.

Thus there seems to me to have been a steady progression upward in our understanding of good industrial management. Halsey establishes, as between employer and employee, the justice of gain sharing. Taylor introduces the exact scientific determination of standards and the obligation of the management to cooperate in securing right conditions. Gantt elaborates the educational features and opens wide the democratic opportunity for every man to realize the best that is in him. Emerson infuses the moral principles and shows that the whole movement is but part of a process as wide as the universe, responding to universal laws, and subject to the universal obligation to strive for efficiency.

I am perfectly well aware that the application of science to management has been stubbornly resisted by employers—not only those who adhere to the barbarous policies of "hire, drive, and fire," but others more human who distrust new ideas. I know it has been and is opposed by labor, fearing it is some new scheme of exploitation hidden under a sop. Considering labor's bitter experiences such opposition may be easily understood and met with sympathy and patient if earnest explanation. It should, however, be hammered home again and again that neither premium, bonus, nor efficiency scale, disturbs by a hair's breadth the existing minimum or existing rate of wages. This may be and is fixed by collective bargaining. Each of these scales merely opens the way to the maximum wage earnings each worker's capacity can command. The newer advanced methods clear this way by bringing in the most highly skilled experts for the single purpose of removing obstacles and making the same effort by the worker produce larger results in which he shares. They are not plans for "speeding up," they do not depend upon exploiting the worker. The new responsibility and duties they impose rest rather on the management, and the profits they create come not out of labor, but chiefly out of better administration and better use of the same opportunities, materials, and time.

The proportion of the worker's sharing in the gains is for the present experimental. Perhaps, even probably, it should be larger. I believe that can be worked out only as any other price is determined—by the free play of economic forces. But however large it may be, it can never be securely based on anything but such accurate measurement of the work against definite standards as

these new systems provide. Large increase of returns, whether to employer or employee, can come only from detecting and correcting wastes of time, of skill, of materials, of facilities, of opportunities which are hidden under the old-line system of organization and management. It is deplorable that the opposition of labor, arising I believe from misunderstanding, has given employers so good and so often used an excuse for refusing to give these new principles and methods a trial, and for clinging to the old fallacies of low wages and strenuous foremanship.

The world at large pays in the end for everything—for what it gets and for what it wastes. It wastes enormously now for lack of knowledge. If labor is the largest factor in the scheme of things, labor is paying most of this loss. It must gain most from discovery and stoppage of the losses which these newer systems detect and disclose.

I have not gone here into Hine's unit system, which is concerned almost wholly with railroad operation, nor into Carpenter's or Knoeppel's factory committee systems, because they deal with the officers rather than the privates in the industrial army, reaching the workman through his foreman. But they are nevertheless of much importance because of their effects in breaking down the lingering feudalism, or would-be feudalism, of the industrial system—in democratizing industrial management to the limits to which democratization apparently can now advantageously go.

Any effort to introduce science into management—even a very little science—is praiseworthy, for science means only recognizing and working in accordance with the highest law and the greatest truth. Even if we should go no further than analysis, we should do for industry and each industrial plant what this commission is doing for industry at large—open up realities, get at the facts, let in the light. Public opinion and the public conscience would go a long way toward doing the rest.

This statement—long for an answer, but all too brief for an exposition of the subject, I hope may make clear some reasons for thinking that the new and rapidly spreading science of management and administration will do much to solve the very difficulty defined in the commission's question—the difficulty of “insuring the maintenance of proper labor conditions and the equitable distribution of the products of industry.”

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[Before the United States Commission on Industrial Relations, February, 1915.]

Although now engaged mainly in university teaching and in directing a professional training school, I assume that it is rather because of my 18 years' connection with the charity organization society that you have invited me to appear here; and that the particular topic on which you may want information or opinion from me is that relation, if any, between industry and the kind of philanthropy which that society, and organized charity, generally, represents.

If so, what I would like to point out especially is that this society has been among the first and foremost to realize that poverty is largely due to industrial maladjustments and that charity of itself is no cure, and never can be, for industrial evils.

As recent and pertinent illustrations, it may not be inappropriate to call attention to the fact that the secretary of the charity organization society was a member of that group of social workers and economists to whom Mrs. Harriman referred in a recent newspaper interview, on whose initiative the President recommended, and Congress enacted, the law by which the present commission was created; that I was chairman, in fact, of the improvised committee which prepared a memorandum on the subject at the President's request for use in his message, drafted the bill, interested Senator Borah, Representative—now Senator—Hughes, and Representative—now Secretary—Wilson, and others in the plan, arranged the hearings on the subject, and carried on an active campaign in Congress and in the country at large for the appointment of the commission. Dr. Lindsey, who was also in the service of the charity organization society as a member of the staff of the school of philanthropy, and myself devoted a large part of our time for several months to securing this legislation, and this was done, of course, so far as our part in it is concerned, with the full knowledge and approval and in constant consultation with the president and central council of the society. I do not wish to be misunderstood. This committee of economists and social workers would not, of course, claim any of the credit for the actual work of the commission, but only for its opportunity, for the fact of its existence.



In the next place, it was one of the standing committees of the New York Charity Organization Society which conceived, planned, and carried through the Pittsburgh survey, concerning which Mr. Manly said in Washington in December, 1913:

"Some five years ago the community was rudely awakened by the Pittsburgh survey and shocked into a realization that thousands of human beings were employed under conditions which required them to labor seven days a week. Public feeling was deeply aroused and calls for immediate action for the correction of this evil were many and loud."

It will be admitted that Mr. Manly is a competent witness, not only because of his present relation to this commission, but because he was the expert of the United States Labor Bureau who, immediately after the Pittsburgh survey had, as he says, aroused public feeling on the subject, conducted an official and authoritative inquiry into the steel industry which confirmed the findings of our survey. The general character and results of that survey are too well known to require discussion.

A third evidence of the interest which the society has long taken in industrial conditions and their relation to poverty, is the establishment and publication until some two years ago of the weekly periodical originally called "Charities," then "Charities and the Commons," and now "The Survey." This periodical since October, 1912, has not been published by the charity organization society. It never has been the official organ of the society as that phrase is generally understood. It never has been "controlled," except by its editors, and it has never since its earliest days given particular attention to local relief work. Nevertheless, during the 15 years in which it was published by the society, we had full responsibility for it, moral and financial.

For several years, before this change was made as well as since, the Survey has given continuous and searching attention to industrial warfare and industrial peace, to evolutionary changes in industry on the one hand and to maladjustments and adverse conditions on the other. This had been done fearlessly, without the slightest reference to the interests or investments of the directors, contributors, or members of the society which published it. While the Pittsburgh survey was in progress and its findings were being published, the name of Mr. J. Pierpont Morgan, who is supposed to have been an important factor in the steel corporation, appeared on the periodical, as required by State law, as the treasurer of the society which published it; and Mr. Andrew Carnegie was a contributor whose name appeared with the amount of his contribution each year in our published annual report.

When the Survey published its first careful and certainly plain-spoken study of conditions in the mines and steel mills of Colorado—February 3, 1912—Mr. Rockefeller was a contributor to the society. I think it absolutely correct to say that no one in the office of the Survey considered this fact or was expected to do so by the officers or central council of the society or, so far as we ever had any evidence, by Mr. Rockefeller or his advisers.

Later, but while the Survey was still published by the society—April 20, 1912—a study was published of the actual operation of the board of conciliation in the anthracite coal industry. In general the machinery established in 1903 had maintained peace, but our study led us to believe that in certain particulars—six different points there were, I believe—it worked hardship to the miners.

Subsequently the conciliation plan was modified to remove most or all of these hardships, but what I wish to point out is that prior to such change, as a result of our own independent study, the grievances of the miners were brought before the general public, and their claims to a modification of the existing agreement supported in the periodical published by the society. In pursuance of our usual custom, we sent the manuscript of the article which we expected to publish to trade-union officials and also to officers of the coal and the coal-carrying companies—among others to Mr. Robert W. de Forest, who is vice president of the Central Railway of New Jersey. We thought that the fact that Mr. de Forest is also president of the society and was chairman of the committee in charge of the Survey should not prevent our getting his criticism. His only suggestion was that we should get the criticism of a gentleman to whom we had in fact already sent it and whose criticisms we had.

The instances which I have cited are entirely typical of the freedom from external control and the moral support which the editors of the Survey always received from organized charity with which they were officially associated.

I would like next to mention our discussion in Charities and the Commons

and in the Survey of endowments and foundations. The subject was first taken up seven years ago in an editorial on July 6, 1907, entitled the "Danger of Endowments." Speaking of the Sage Foundation, the General Education Board, and the Carnegie pension fund for college teachers, we said, if I may be permitted to read the concluding sentences:

"The brutal power of concentrated wealth is ever present in these endowments. If used judiciously, wisely, with breadth of sympathy, with sufficient safeguards against abuse and incidental injury, they may be in all ways beneficent. If used carelessly, with class prejudice, or personal favoritism, or in disregard of the social effects of making or withholding grants, then neither the good intentions of the donors nor the possible balance of good accomplished will prevent their becoming also malefactions to the extent of their misuse."

I believed then and I believe now that the present trustees of these funds are intelligent and public-spirited men, who conceive their trust in a broad national sense. I believed then and believe now that if these trustees cease to do this and use their funds in such a way as to discourage honest research, or to encourage the dissemination of particular views on such subjects as the tariff, or control of corporations, trade-unionism, or socialism, merely because these views are acceptable to the founder or to the trustees, they would at once forfeit any claim to be considered philanthropic or educational institutions; and that the democracy of that time, whenever it may come, will find some appropriate way to deal with such abuses.

However, when the Rockefeller Foundation was proposed, some three years later, and a bill for its incorporation was pending in Congress, we subjected that measure to a searching criticism, which was followed by prolonged discussion and the ultimate withdrawal of the bill. While I have always regretted that the foundation did not obtain its charter from Congress, rather than from a State legislature, I have had no reason to regret the criticism. Endowments in perpetuity, managed by closed corporations, accumulating either simple or compound interest as the directors may please, seemed to me then and seem to me now contrary to the spirit of American institutions and fraught with possible danger.

The bill as originally introduced in Congress very properly provided for annual reports with financial statements. The charter later obtained from the State of New York does not, I believe, contain this provision. The bill in its original form made the charter subject, as Federal charters always are made subject, to alteration, amendment, or repeal at the pleasure of Congress. I thought these two safeguards, valuable as they are, did not go far enough. In the Survey of March 12 and of March 26, 1910, and again on January 14, 1911, this last article written after Mr. Rockefeller had caused the bill to be amended so as to incorporate some of our suggestions in a modified form, I gave reasons for believing that the public should have a voice in the selection of trustees; that the indefinite increase of endowments through the accumulation of income should be prevented; and that there should even be provision for the gradual expenditure of any given endowment, principal and interest, within a specified period. The proposed charter then pending in Congress, as amended, though the amendments did not go quite so far as I had suggested, was, I believe, the most enlightened and progressive proposal ever made before a legislature for the management of a great foundation. If enacted it would have created a precedent of the greatest value and influence.

The necessity and desirability for public control of foundations is one of the subjects on which Mr. de Forest, the president of the charity organization society, and myself have not fully agreed. His opinion is that the reserved right to amend the charter includes in effect all of the other restrictions, and that it is therefore useless to specify them. Mr. de Forest never offered the slightest objection to my stating my own views as frequently and emphatically as I liked, but in order to prevent any mistaken inference that I was speaking for him also—since we were intimately associated in many ways—he made a brief statement of his own views, which you will find in the Survey of January 14, 1911. We published several communications on the subject, reprinted one or two editorials from the New York Times replying to our own, and also reprinted from the Congressional Record the statement by Mr. Starr J. Murphy, taking up the points in which we had suggested that the charter be amended.

If it is decided that it comes within the province of the commission to make recommendations on this subject, my suggestions would be that Federal charters are to be encouraged rather than State charters; that, after the donor's



death, or before with the donor's consent—and I think the donor should have the right to choose his own trustees during his lifetime if he so desires—the Government should have a voice in the selection of trustees as vacancies occur; that annual reports with financial statements, and an opportunity to audit and test such statements, should be insisted upon; that the accumulation of income should be prevented, subject, of course, to reasonable latitude as to working balances at the end of the year; and that there might be some legal limitations, as in the case of savings banks, over the character of the investments. I think that public supervision and participation is justified not only by the exemption from taxation, which should be continued as long as any educational, religious, and charitable enterprises are exempted, but also by the legitimate public interest in the results of their activities. Such supervision and participation should not be hostile or hampering, but, as in the case of the Smithsonian Institution or the American Red Cross, sympathetic and beneficial. I do not believe that it would discourage large gifts for public purposes, but, on the contrary, that it would encourage them. If there is any one thing which is likely to deter a generous modern giver from establishing a foundation for a particular purpose, it is doubt as to the possibility of foreseeing future needs, a lurking fear lest the good he would do may become an unintended injury, or at least less beneficial than he intended. If he is assured that the future generations will be free to change the terms of his bequest to meet their needs as they see them, not only in case of extreme absurdity but gradually by actually sharing the responsibility for its administration, this will, I think, act reassuringly by the removal of the ground of such doubts.

If such supervision were to become political control, or arbitrary interference with the free exercise of proper discretion by trustees within their own province, the result would undoubtedly be to discourage such gifts. The possibility of hostile public control has no doubt already had such effect in some instances. Any recommendations as to public supervision and representation should therefore be so framed as to make it clear that it is not intended to divert trust funds from legitimate public purposes or from the particular purposes which the donor intends, if such purposes are consistent with the public welfare.

Something can be said in favor of the radical proposal that perpetual endowments should cease altogether, and that all donations or bequests for social and philanthropic purposes should be on a plan by which within a given period—fifty or a hundred years—principal and interest must be expended. If it were a mere question of advising an individual donor, I would not hesitate to urge this form of bequest, but I do not believe that there is justification for restrictive legislation in this direction. Perpetual endowments in education on the whole seem to have justified themselves. We can not say that expenditures of the principal over a term of years might not have brought even better results, but until further experiments have been made in that direction a conservative policy of public supervision and participation would seem better than any legislative restriction of the life or the amount of endowments.

The charity organization society a dozen years ago established a committee on the prevention of tuberculosis. This committee in its earliest years gave particular attention to the industrial aspects of the disease, pointing out the particular trades in which it is most prevalent and the conditions in those trades which were believed to be responsible for the excess. The committee established close relations with the Central Federated Union, and issued educational leaflets bearing the joint imprint of both their committee on sanitation and our own. We worked for the establishment of hospitals and sanatoria, for better factory laws and better housing conditions, and insisted on the bad effects of low wages and high rents as causal factors in this disease of the masses.

Even earlier we had a tenement-house committee, which secured a new and more radical tenement-house law and a municipal department to enforce its provisions.

Earlier still, before my own connection with the society, the plan was inaugurated for a provident loan society, a pawnshop for making loans on pawn pledges at half the legal rate of interest. This agency, although organized by our society and still electing each year one director on the nomination of the society, has been from the beginning—as the Survey is now—because of the character of its work, entirely independent in its operations. It has

been an important influence in keeping in check by competition the unquestionable abuses and extortions of the old-time pawnshops.

The subject of a minimum wage is now under investigation by a legislative commission in this State. I have personally appeared before that commission in advocacy of a legal minimum wage to be fixed by special boards in particular industries and localities whenever the conditions are found to be such as to make it necessary.

I have consistently supported child labor legislation, workmen's compensation and insurance, the prohibition of manufacturing in tenements where factory conditions can not be maintained because both official inspection and trade-union influence are absent.

The elimination of strikes and lockouts, boycotts and black lists, by the elimination of their causes, the maintenance of just and mutually satisfactory relations between employing corporations and wage earners, is a problem of the greatest interest to the charity organization society, as to all social agencies. If the commission solves it you will deserve eternal gratitude from all of us. The poverty directly due to industrial controversies is not perhaps as extensive as that due to some other causes. But it is least excusable.

# STATEMENT OF MR. CHARLES O. HEYDT.

[In response to questionnaire submitted by United States Commission on Industrial Relations, Feb. 1, 1915.]

26 BROADWAY,  
New York, February 1, 1915.

UNITED STATES COMMISSION ON INDUSTRIAL RELATIONS,

New York City.

(Attention of Mr. W. H. Allen.)

DEAR SIR: As requested in your letter of January 30, I submit herewith answers to the questionnaire which you inclosed. Part C of question 10 is not clear and I am unable to answer it. I shall be glad to supply any further information required regarding my connection with the Rockefeller Foundation or with Mr. Rockefeller.

Very truly,

CHARLES O. HEYDT.

Question 1. Please give correct name and place of residence.

Answer. Charles O. Heydt, Montclair, N. J.

Question 2. How long have you been with Mr. Rockefeller? Give date.

Answer. Seventeen years four months. Since October 2, 1897.

Question 3. How long have you acted as private secretary to Mr. John Rockefeller, jr.? (a) What position did you hold with Mr. Rockefeller, jr., before becoming his private secretary? (b) Please state if you take stenographic notes?

Answer. Have acted as private secretary to Mr. John D. Rockefeller, jr., for 17 years 4 months, since entering Mr. Rockefeller, sr.'s employ on October 2, 1897. (b) Yes.

Question 4. What business or secretarial position did you hold before going to Mr. Rockefeller?

Answer. From April 6, 1896, to October 1, 1897, private secretary to Messrs. William Barclay Parsons and Harry DeB. Parsons. The former was at that time chief engineer of the Rapid Transit Commission, the latter a consulting engineer and professor of engineering at Rensselaer Polytechnic Institute, Troy, N. Y. From February 15, 1894, to April 4, 1896, one of the junior secretaries to Mr. Thomas Powell Fowler and Mr. John B. Kerr, respectively, president and vice president of the New York, Ontario & Western Railway. During the same period substituted at times for the secretary of the general manager of the same railway. From September 27, 1891, to February 15, 1894, clerk with Messrs. Kountze Bros., bankers.

Question 5. Of what college or university are you a graduate? (a) In what subjects do you specialize? (b) What postgraduate work did you do? Give dates. (c) What special investigations did you make?

Answer. Not a college graduate. A special student for three years at the New York University School of Commerce and Finance, 1910-11, 1911-12,



1912-13. (a) Accounting. (b) Answered in question 5. (c) Answered in question 5.

Question 6. Are you a member of the personal staff of Mr. John D. Rockefeller, sr.? (a) Have you ever been a member of the staff? Give dates. (b) Do you attend meetings of Mr. Rockefeller's personal staff?

Answer. Not a member of the staff of advisers of Mr. Rockefeller, sr. (a) No. (b) No.

Question 7. Of what voluntary bodies, civic, charitable, educational, religious, political, (a) are you a trustee of officer? Please state position held.

Answer. Trustee, the Rockefeller Foundation; member, the International Health Commission; member, Bureau of Social Hygiene (Inc.).

Question 8. Of what political or governmental body or department or bureau are you member or officer? Please name office, correct title, and date of appointment. (a) Please name any previously held position in connection with governmental.

Answer. None.

Question 9. Are you a member of the executive committee? (a) Have you been since the foundation was established? (b) Is there a quorum of the executive committee? (c) Will two votes control action of the executive committee when only a quorum are present?

Answer. Yes. (a) Yes. (b) Yes. (c) Yes.

Question 10. Has the executive committee formulated rules for its government as per Article I of the by-laws? If so, please send copy. (a) Is it true that at 9 of the 20 meetings thus far held by the foundation's executive committee the number attending was three? (b) Has the executive committee the power to fill vacancies? (c) Has given at meetings of the board all of the powers of the corporation? (d) Is it responsible for auditing bills?

Answer. No formal rules have been prepared for the government of the executive committee. (a) Yes. (b) Article I of the by-laws provides that "The executive committee may fill vacancies in its own number or in the finance committee in the interim of the corporation meetings, reporting its action at the next meeting." (c) The question is not clear. (d) The by-laws, Article I, provide, among other things, that the executive committee shall direct and control the audit of all bills.

Question 11. What investigations have you individually made since working with Mr. Rockefeller as to—(a) Labor problems? (b) Widows' pensions? (c) Workingman's insurance- (d) Workingman's compensation acts? (e) Industrial education board? (f) Conditions of laboring factors? (g) The world's experience in governing foundations. Please indicate the scope of investigation, time required, so far as these have been in bodies or publication in formal reports; please send copies or refer to commission two copies.

Answer. None.

Question 12. Did you, in any capacity, attend meetings of—(a) Trustees of the Carnegie Institute for Medical Research? (b) The general education board? (c) The executive committee of the general education board?

Answer. No.

Question 13. Please suggest any questions which you think the commission should ask regarding foundations or any persons—subjects which you feel should be investigated.

CHARLES O. HEYDT.

FEBRUARY 1, 1915.

#### STATEMENT OF MR. J. P. P. KELLY.

26 CLIFF STREET, January 25, 1915.

HON. THOMAS P. WALSH,

*Chairman Industrial Relations Commission,*

*City Hall, New York City.*

DEAR SIR: I have attended a few of your meetings, and have listened particularly to Mr. Ford and Mr. Gompers. Have also read quite a number of the articles reporting the doings of your commission, and think one of the most serious problems to be considered has yet to be mentioned; that is, the employment of female labor.

My business takes me along Broadway for a distance of about one-half a mile during lunch hour every day, and one can not help by being impressed by the

proportions of women over men. It seems to my mind that in a great many cases—would say 60 per cent—the women are holding the positions that might be held by their own husbands. In other words, if the positions now held by these women were held by men, and the man earning a decent wage, he would be supporting the woman he displaced, and in some instances a family. What set my mind thinking on this particular subject was the observance of a bread line at Broad and South Streets, and in talking to an officer on duty there he told me of a particular instance in which his neighbor was employed by a manufacturing corporation, and earning a salary of \$26 per week, and how he was displaced by the employment of two girls at \$12 per week each. Personally I know of similar cases, and I think it is a matter to be seriously considered by your commission.

Trusting you will consider this letter in the same spirit in which it is written, I remain,

Yours, truly,

J. P. P. KELLY.

#### STATEMENT OF MR. ADOLPH LEWISHON.

1. In what corporations are you a director?

Answer. Miami Copper Co., General Development Co., Kerr Lake Mining Co., Naumkeag Copper Co., Crocker Wheeler Co., Mechanics & Metals National Bank, Importers & Traders National Bank, and the United States Mortgage & Trust Co.

2. In what other corporations do you own or represent any considerable amount of stock?

Answer. I do not own or represent any considerable amount of stock in other corporations.

3. Please outline briefly the character of your connection with the corporations in which you are interested.

Answer. I am president of Miami Copper Co., General Development Co., and Kerr Lake Mining Co., the latter is a Canadian company, and a director in the others. I own a considerable amount of stock in each of these corporations; the Miami Copper Co. is the one company among these that employs a very considerable amount of labor.

4. What information do you, either as a stockholder or as a director, possess concerning the labor conditions in corporations in which you are interested?

4A. Do you receive reports from any of the corporations which give you any information regarding the labor conditions?

Answer (4 and 4A). I receive reports regarding labor conditions in letters from the local manager and through interviews with the consulting engineer and vice president and the other officers of the company, including my son, who visit the mines and plants from time to time.

4B. Do you make it a practice to visit the plants of the corporations in which you are interested and make personal inquiries and observations regarding conditions?

Answer. I do not visit the mines personally, but my son and other associates and officers of the company do so as my personal representatives.

4C. What factories, mines, or railroads have you personally inspected during the past year? During the past 10 years?

Answer. As before stated, I have not personally visited the factories or mines either during the past year or during the past 10 years, but, as before said, have my personal representatives, including my son, make these personal inspections for me.

5. In your opinion, to what extent are the directors and stockholders of corporations responsible for the labor conditions in them?

Answer. The majority of the stockholders elect the directors. In my opinion, the stockholders should not be held directly responsible for the labor conditions of a corporation, except that they should be expected to cast their votes in favor of such directors as they have every reason to believe would carry out matters in the right way.

Directors should hold office only in such companies in which they believe the business is carried on in the right way, and that labor is properly treated. The details of the business are attended to by the executive officers, together with the local manager, who is appointed by the executive officers, subject to the approval of the directors. The directors should be kept posted at the



regular meetings, which ought to be held at least once a month, and at special meetings in case anything special occurs which makes it necessary or advisable to hold such meeting.

6. If the stockholders and directors are not responsible whom do you consider to be responsible?

Answer. The executive officers who act under the instructions of the board of directors. In the companies in which I am interested, like the Miami Copper Co., we have a general manager; that is Mr. Channing, who is vice president and consulting engineer, and who spends part of his time at the mine and part at New York, and is acquainted with all the details. If he is in New York he attends the directors' meetings, and if there is anything special he reports it.

7. If executive officials are responsible—

7A. What scope of authority do you give them to establish and maintain proper labor conditions?

Answer. The local manager should have considerable authority. As said before, Mr. Channing, the consulting engineer, spends part of his time at the mines, part in New York, and if any change occurs consults with the other executive officers and sometimes refers matters to the directors.

7B. Do you give such officials equal scope without an accounting in financial matters or in other phases of plant operation?

Answer. Probably not in financial matters; that part I attend to personally, at least keep fully posted about constantly and direct finances myself, while all the technical work, including labor, is attended to by the local manager under the direction of Mr. Channing, the vice president and consulting engineer, who advises with the other executive officers and directors in all special cases or when changes take place.

7C. What instructions, if any, have been given executive officials in the corporations in which you are interested that proper labor conditions must be maintained?

Answer. I have always given general directions to see to it that all safeguards should be provided and everything done to make conditions first rate, also that the men be kept satisfied as far as possible as to their scale of wages. I have here a memorandum showing the welfare provisions and safeguards provided at Miami Copper Co.'s works and mines.

(See "Welfare report" herewith.)

8. As a matter of fact, are not labor conditions the only matters under the control of executive officials which are not subject to an audit or check of some kind? Do you not require—

A. A balance sheet of profit and loss accounts, showing in detail disposition of all financial matters?

B. Cost of production sheets, showing comparative costs at different plants and in different years?

C. Periodical inspection of machinery?

D. Periodical inspection of materials?

E. Periodical inspection of inventory of all assets?

Answer (A to E). Not entirely. As I have already expressed, we do keep more or less of an audit check on labor conditions, though, of course, there is at present no method worked out of putting labor conditions in the exact statistical form in the manner outlined in your question. I think it is most desirable that proper laws be enacted to cover all these matters, stating exactly what safeguards should be provided, the hours of labor, the minimum wage, and everything pertaining to labor. The passage of proper laws for the protection of labor is most important. It, in fact, can be of great assistance to the executive officials and even to the directors in keeping a check upon the local management as to its proper treatment of labor, and in a way provides the audit that is suggested by your question. It has been our policy (and I think is the policy of most well-run corporations) to make the local management live strictly up to the labor laws and inquire whenever there is any evidence of violation of such laws. Such laws can provide a general standard. The best practice in such matters is thus determined, and the directors can be sure that the management is following the best known practice.

9. According to your own standards, what would you consider to be proper labor conditions as regards the following points:

9A. Length of working-day.

Answer. Eight hours.

9B. Yearly income for an unskilled workman.

Answer. This depends upon the conditions and the locality of works or mines. At Miami the lowest grade labor is paid \$2.50 to \$3 per day.

9C. Compensation for industrial accidents involving: (a) Loss of arm; (b) loss of both eyes; (c) loss of life; (d) permanent disability.

Answer. In Arizona the State laws provide for these matters. In the case of total disability the man receives 50 per cent of his wages, and in case of partial disability 50 per cent of the difference between the wages he was receiving and what he is capable of earning. There is a maximum of \$4,000. We have it understood that the laws, such as are in existence, should be liberally construed. I believe these matters should be fixed by law, and would be pleased if ample protection were given to all workmen by law.

9D. Age and conditions under which children should be employed.

Answer. I do not think there should be any children employed at manual labor under 16 years of age, and have never been connected with any industry where child labor was employed.

9E. Discharge of workmen who have become inefficient after long service with the corporation.

Answer. I would like to see laws enacted providing pensions for such men.

9F. Refusal to employ unskilled workmen who are over 35, or skilled workmen over 45 years of age.

Answer. We do not make such conditions.

10. If you were convinced that labor conditions in any of the corporations in which you are interested were such that workmen were unable to support their families without putting their wives and younger children to work, or if the nature of employment resulted in industrial diseases, or if the accident rate was excessive as compared with other corporations, what action would you take?

Answer. I would try to mitigate such condition or try to see that they are helped out or have the conditions changed so that there should not be any of these hardships.

11. Have you ever been present at meetings of directors or of the executive committee of a corporation at which the labor policies to be pursued by the corporation, either during strike or during normal times, were being discussed?

Answer. Yes; I have.

11A. Upon what information were the conditions determined in such cases?

Answer. Upon the reports of the manager and reports by officers and directors and personal representatives who had visited the mine and kept in close touch with these questions.

11B. Would a decision upon any financial policy be made the basis of a similar amount of information?

Answer. I think I have practically answered this question. I do attend to the finances and only indirectly to the technical part of the work, including the labor question.

12. In which of the corporations in which you are interested are the employees organized?

Answer. The labor at the Miami Copper Co. is not generally organized, except the mechanics and engineers.

12A. What have been the effects of such organization, in so far as you are informed?

Answer. As far as I am informed, there has been no difficulty in treating with the organized mechanics and engineers. We have also been able to treat with the rest of the labor, although not regularly organized, through the spokesmen whom they select.

13. What is your attitude toward the organization of employees for their protection and for the advancement of their interests? Upon what information or experience is this attitude based?

Answer. I believe that workmen should have a right to organize if they desire to do so, as they should have the right to bargain collectively. I am willing to treat with organized labor where it is organized.

15. What is your attitude toward permitting union organizers who are not employed by your corporation to address employees and otherwise carry on their work without interference?

Answer. My attitude is to allow them full liberty to address my employees, as I do not wish to impair the liberty of employees in any way.

17. As a result of your observation and experience, do you believe that industrial discontent in America is increasing?

17A. If so, why?



Answer (17 and 17A). It is very difficult to make a general answer to this question. It varies in different localities. I think, on the whole, there is a better feeling generally; perhaps not a very great change.

17B. In your opinion, along what general lines should action be taken to remove the causes for such discontent?

Answer. As I said before, I should be pleased to see necessary laws enacted to protect labor in every respect; have a minimum wage, pensions, and all sorts of protection; Government inspection and Government supervision.

18. What have you personally done to mitigate existing social evils?

A. Contributions to philanthropic organizations and institutions?

B. Active personal interest in philanthropic organizations as officer, director, or trustee?

C. Personal philanthropy?

D. Action to improve industrial conditions?

E. What have been the results?

Answer (A to E). I have been more or less active in public-welfare work since a good many years. My gifts are generally made without conditions. I am a director of the Hebrew Sheltering Guardian Orphan Asylum, National Child Labor Committee, United Hebrew Charities, International Child Welfare League, National Committee on Prisons and Prison Labor, Hebrew Technical School for Girls, Mount Sinai Hospital, Westchester County committee of the State Charities Aid Association. I am particularly interested in the care of dependent children and education generally, all kinds of welfare work, and the proper treatment of the prisoner. I think all this work is good and believe much good has resulted from these activities. I have made contributions to various philanthropic, educational, and social work since a good many years.

19. What is your opinion regarding the social desirability of heavily endowed foundations, with self-perpetuating boards of trustees, as a method of dealing with social conditions?

Answer. I think that foundations should be under some method of control and supervision by the Government; if Federal in scope, the Federal Government.

#### ACTIVITIES OF MIAMI COPPER CO. WITH RESPECT TO THE SOCIAL AND INDUSTRIAL WELFARE OF ITS EMPLOYEES.

The following is an outline of the activities of the Miami Copper Co. with respect to the social and industrial welfare of its employees:

The industry of the Miami Copper Co. comprises the mining of copper ore by underground methods and concentrating it by the process of milling. I think I may safely say that our mine ranks well among large underground mines with regard to the working comfort and safeguarding of its employees. All modern mechanical devices for replacing or lessening the muscular labor of the miner and for assuring the safety of his transport are included in its equipment.

All surface industrial buildings are spacious in design and of fireproof construction. In the concentrating mill wet surroundings are avoided by concrete floors, sloped to provide a central drainage. The maintenance of cleanliness is preeminent, specially assigned laborers being provided for this purpose.

The property of the company adjoins the town of Miami, which is a new mining town that has sprung up with the industrial activities of the company about five years ago. The town having no local government housing conditions, sanitation, and environments are generally of low order, thereby imposing difficulties for carrying out plans of sanitary welfare for employees on the company property.

#### HOUSING.

*Dwellings.*—With the object of providing better housing accommodations for employees than are obtainable in the town, and also to isolate employees from the drinking and gambling environments characteristic of most mining towns as much as possible, several groups of dwelling houses have been constructed by the company upon its property. These houses are located on hills overlooking the town and about one-half mile distant from it. Except for some dormitory quarters for single men all houses are built in individual units, separated from each other not less than 25 feet. All window openings are completely screened. Drinking water lines are conveyed into all houses

and electric current is furnished for lighting. Garbage disposal is provided for free of charge by a collector hired for this purpose.

*Sewage system.*—Dwellings erected during the early period of the mine are provided with outhouses. These are continuously disinfected by chloride of lime and equipped with seat covers, spring doors, and screened ventilators for excluding flies. All recent houses are provided with interior flush toilets, the disposal of which is connected with sewer lines to a three-compartment concrete septic tank.

#### SANITATION.

*Drinking water.*—Water for all domestic purposes is obtained from underground flows accumulated in mine reservoirs located outside of the zone of the workings. This accumulation is pumped daily to surface through pipe lines provided exclusively for its use to steel-covered supply tanks. Herefrom it is piped into all dwellings and buildings for domestic use. With the extension of the mine workings this supply has become inadequate for the needs of the camp; so it has become necessary to obtain the deficiency from a local well not under the sanitary control of the company. However, to guard against an insanitary supply bacterial analyses of the drinking water are frequently made.

*Toilet facilities.*—Underground: Portable toilet cars, the use of which is compulsory, are provided for underground employees. These are continuously disinfected by chloride of lime and are brought to surface daily for cleansing.

Surface: Where it is feasible to connect with the sewage system flush toilets are provided. Outhouses are continually disinfected by chloride of lime, and seat covers, spring doors, and screened ventilating windows are provided to exclude flies. The pits of abandoned privies are covered with a layer of at least 3 feet of soil.

*Change house.*—The bathing facilities provided for miners are contained in a two-story steel change house of fireproof construction, located within close range of the mine exit. This building is equipped with the following conveniences:

Individual sheet metal lockers.

A pressure steam heating system for heating the interior and drying work clothes.

A ventilating system. Lockers are provided with perforated bottoms and louvered doors to effect ventilation of clothes, and main floors are equipped with Burt ventilators for conveying foul air out of the building.

Bathing facilities: Shower baths fed by hot-water heaters, with a minimum ratio of one shower per four men; washing faucets, also hot-water fed, with a minimum ratio of one faucet per 10 men. Contaminated water flows directly into a disposal trough.

Daily janitor service for maintaining cleanliness of the building and wash apparatus.

*Hospital.*—Because of the lack of a local hospital a building having a normal capacity of 40 patients has been erected jointly with a neighboring company for the benefit of employees and their families. An elevated, airy, and seclusive site, aesthetic design, and general elegance of construction constitute its building features.

Equipment: The conveniences of this hospital consist of the following: A dispensary; 4 main wards and 13 private wards; two canvas porches and one sun porch; a main operating room and a minor operating room; an operating sterilizing room; an X-ray room; a delivering room and a recovery room; a doctor's room; a surgeon's room; a matron's room; a laboratory and drug room; a morgue; a kitchen and a diet kitchen; patients and nurses' dining rooms; a women nurses' room; a bedding sterilizing room; laundry, ironing, and sewing rooms; a nurses' home.

Staff, etc.: One surgeon, three physicians and assistant surgeons; matron, three women nurses, and two men nurses; three orderlies, cook, dishwasher, and waitress.

Benefits: Employees are entitled to dispensary and home treatment and to hospital treatment. Members of families of married employees are entitled to dispensary and home treatment.

First-aid lecture courses and practice is given to all underground bosses, and all bosses are provided with first-aid material for applying first-aid bandages to injured employees.



Educational lectures by the chief surgeon on sex hygiene and on precautions to be taken to prevent contagious diseases.

Free vaccination against smallpox and typhoid fever.

Sanitary inspection of the camp by a sanitary inspector under the direction of the chief surgeon.

#### MINE VENTILATION.

For the purpose of adding to the comfort of underground employees, and also to increase their working efficiency, forced ventilation by fans is practiced in this mine for cooling the workings and carrying off the noxious gases produced by blasting.

#### FIRE PROTECTION.

*Underground.*—The mine is protected from fire disasters by the following provisions: Three exit shafts; underground fire lines, fire hoses, and hand extinguishers; fire doors; sprinkler systems on all timber-head frames; helmet crews.

*Surface.*—Spacious design, fireproof construction, many exits, and uncrowded working conditions guard all main work buildings against fire catastrophes.

For dwelling houses and other frame structures the camp is equipped with a high-pressure fire pump, fire lines, fire monitors, chemical engines and hose carts, a fire-signaling system, and a voluntary fire brigade.

#### RECREATION.

*Social hall.*—For the diversion of employees during leisure hours, and also to detract them from the unwholesome pastime indulgences catered to in the mining town, a social building has been erected in the dwelling-house community. This building is equipped with a reading and lounging room, pool tables, and shower baths, and is conducted under the auspices of the Young Men's Christian Association. Social entertainments are given periodically herein for the benefit of the workmen's families. The cost of construction, as also the running expenses hereof, is borne by the company.

*Club house.*—Further to provide for wholesome recreation there is now under consideration the erection of a club house which is to incorporate features not existent in the aforementioned social hall built during the early non-productive stage of the property. The added features comprise a ballroom, card room, bowling alleys, and swimming pool. The cost of the building will be donated by the company, its equipment furnished by a fund obtained through an initiation fee of \$25 by members, and running expenses are to be provided by monthly dues.

*Tennis club.*—The use of tennis grounds, comprising two courts, is available by employees for a membership fee of \$5 and nominal dues for upkeep of courts.

*Band.*—A bandmaster is employed by the company for the development of local talent and a band house has been erected for its use. Concerts are rendered by the band to the community during the summer season, and it also furnishes music for the social entertainments of the social hall.

#### FINANCIAL WELFARE.

*Profit sharing.*—At designated periods all employees have the privilege of subscribing to the company's stock at a nominal quotation, to an extent optional with the employee, but with a prescribed maximum limit proportional to the wage or salary earned. The salient features of this plan are as follows:

Rights and interests of the subscriptions rest with the decision of the board of directors of the company.

Payments are made in monthly installments not exceeding 25 per cent of the wage or salary earned.

Declared dividends are credited as subscription payments and interest on deferred payments is charged at the rate of 5 per cent per annum.

When the subscription is fully paid the stock is issued to the subscriber and he therefore obtains the same rights of disposal as the ordinary stockholder. As an inducement to retain the stock, a bonus of \$1 per share per year for a period of five years is offered him while he remains in the employ of the company.

Subscriptions are canceled: (a) At the request of the subscriber; (b) by subscriber leaving service of the company; (c) whenever subscription payments have been discontinued without the consent of the company for a period of three months.

Upon cancellation of the subscription the payments by the subscriber are returned with interest at 5 per cent per annum, but the dividends credited to the subscription are reclaimed.

*Mutual savings.*—With the object of fostering the habit of saving and also teaching the policy of sane investment, a mutual savings society was formed for employees. Herein a member makes a committed monthly deposit, the sum of which is invested in bonds of proven merit. When the deposits of a member have accumulated to \$1,000 he withdraws a bond of \$1,000 denomination.

*Accident compensation.*—Compensation is paid all employees incapacitated by injuries resulting from accidents, in compliance with a workman's compensation law enacted by the State legislature. Thereby a remuneration of 50 per cent of the workman's earnings is provided for injuries causing disability exceeding 14 days, with a maximum compensation of \$4,000. In carrying out the provisions of this law, compensation is paid to employees of this company for all disabilities, including those of less duration than the prescribed 14 days.

#### MINIMUM-WAGE LAW.

I believe in the minimum-wage law, but all these matters should be worked out by experts. I have not studied it in detail, but have given some thought to the general problem and, therefore, only care to state my general views. I think it is a sound policy if confined at the start to certain underpaid industries. It seems to me that if the minimum is not made too high it may in those cases be possible to secure wages more adequate to the needs of the workers without reducing the consumption of goods produced by such workers and thus indirectly throwing a large number out of work. Any too radical provisions might prejudice such legislation by causing serious economic readjustments, whereas if done in a conservative way it might work quite some benefit. I understand that experience has shown pretty thoroughly that where minimum-wage legislation has been enacted conservatively and with a view to proper economic necessities, it has been quite effective and successful in standardizing wages in the industries covered by such legislation and protecting those wage earners that are unable to bargain collectively.

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#### STATEMENT OF MR. JAMES MORGAN.

CHEYENNE, WYO., March 12, 1914.

UNITED STATES COMMISSION ON INDUSTRIAL RELATIONS,  
Transportation Building, Chicago, Ill.

GENTLEMEN: At the hearing of your commission recently in the city of New York I was asked to make answer to a questionnaire submitted to me to be used in connection with testimony I expected to give. The hearing concluded without my testimony, but I am informed that you desire the submission of the answers responsive to the questions. Herewith please find the same inclosed. If further answers are desired I shall be glad to respond to your request.

Respectfully,

JAMES MORGAN.

Question. State your name, residence, and occupation.

Answer. James Morgan, Cheyenne, Wyo., secretary-treasurer of district No. 22, United Mine Workers of America.

Question. How long have you been secretary-treasurer for the United Mine Workers of America?

Answer. Ten years.

Question. How long has the organization of the United Mine Workers of America been in existence in Wyoming?

Answer. Organized in April, 1903; nearly 12 years.

Question. Can you state the circumstances under which the United Mine Workers organized in Wyoming, and what the attitude both of labor and of capital was toward such organization?



Answer. There were really two periods of organization in Wyoming, the northern, or what is called "the Sheridan field," was organized in 1903, and the necessity for an organization among the miners was the same there as in every other coal field. Individually the miner could not hope to have any of the grievances he complained of adjusted, nor could he enjoy the liberty guaranteed to every citizen in an economic or political way. Too much activity in favor of certain political parties was, if persisted in, likely to result in his discharge, as was equally true of spending money in stores outside the mining camp, and the only store in the camp was the company store. The grievances were, we might say, those that are common to unorganized fields, 10 hours and 12 hours were the day's work, wages were low, practically nothing was paid for dead work, there was no check weighman, and the weights were always a source of complaint. After several attempts at various times the men organized and the company which operated the mines at that time discharged or rather closed down the mine in which the men worked. Fortunately at this time the company changed hands, and the new management recognized the organization, agreed to hear and adjust complaints through the organization, and in January, 1904, entered into the first written contract.

In the southern field, where two-thirds of the miners of the State are employed, the organization was effected in 1907. The wage scale of the organized miners of the northern field was higher and the conditions of employment better, so, naturally, the men desired organization, and this was finally accomplished, and, while it resulted in a two weeks' suspension in this field, due to the fact that the management in charge at that time were opposed to organization among their employees and discharged all men who joined, a new manager was selected who had dealt with the organization in other fields, and he agreed that men could join the organization without discrimination on the part of the company. This was in May, 1907. In August, 1907, a joint conference was held and an agreement reached for the entire State, in which the operators of both the northern and the southern part of the State took part. This agreement granted an increase in wages, the eight-hour day, recognition of the union, the check off, and laid down the basis for all future agreements.

Question. Are the coal operators of Wyoming working under contract with the United Mine Workers of America; and if so, how long have these contractual relations been in effect?

Answer. Yes; contracts have been made in the northern field since 1904, and in the southern field since 1907.

Question. Under what conditions are the contracts agreed upon? State the customary procedure when the terms of the written contract are discussed.

Answer. Each contract provides a certain time, prior to the expiration of the agreement then in effect, when the representatives of the operators and of the miners shall meet to discuss the terms upon which another contract may be based. The miners meet in their own convention, where delegates from every mining camp take part in the drafting of the agreement they desire to have go into effect. The operators likewise meet together, and when each conference has finished its work there is a joint meeting, at which the propositions are submitted and a joint scale committee is selected, the miners selecting their own representatives and the operators doing the same. This joint committee meets and they go over the scale and eventually report back to the joint meeting the scale they have agreed upon. If this is ratified by each side, then the officers are empowered to sign. If the scale is not satisfactory, the joint committee again takes up the objectionable features and attempt to work out a proposition that can be mutually agreed to, until finally a proposition is evolved that meets with the approval of the majority of representatives of both sides, each acting in their own convention separately.

Question. Has there been any trouble, industrially speaking, between the operators and workers over wages or other conditions in the coal mines of Wyoming?

Answer. The only general trouble occurred in 1908, when there was a three weeks' suspension. In that year the operators' association demanded a reduction in wages. This was opposed by the miners, and after three weeks' idleness a new contract was negotiated, the old agreement in every particular with the exception of the wage of tippie men. There has been no general trouble since, and, with but two exceptions, no serious local trouble, and both cases were adjusted strictly on the agreement then in effect.

Question. Are you familiar with the activities of the Colorado Fuel & Iron Co. in Wyoming? If so, state what they are.

Answer. Yes. They own and operate the iron mines at Sunrise, which produce many thousands of tons of iron ore each year which they ship to the smelters at Pueblo.

Question. Are you familiar with any record for evading the payment of taxes existing among the public records of the State of Wyoming with reference to the Colorado Fuel & Iron Co.? If so, have you copies of those records?

Answer. Yes. In the issue of October 23, 1914, the Wyoming Labor Journal (Exhibit A) called attention to the fact that this company had, according to the report of Tax Commissioner McGill, represented that the gross value of their iron ore produced was to a cent the exact cost of production, and as the Wyoming law provides that working properties shall be assessed by the ton of gross output, "after deducting the expense incurred in production," this left no value to assess. I am submitting a copy of the report of Tax Commissioner John McGill (Exhibit B), of Wyoming, made to the board of equalization on July 31, 1912. This report shows up clearly the policy of tax evasion and in no uncertain terms says "that either the board of directors are deliberately and willfully making false and erroneous statements to the shareholders or that the company's agents in Wyoming, by their affidavits as to the value for taxation of the company's property in Wyoming, are guilty of the grossest kind of perjury."

Commissioner McGill also says in this report "that as the law requires him to make an appraisal of this property, that after deducting the expense incurred in operation, he appraises it at \$2.07 per ton and recommends that it be assessed at not less than \$2.07 per ton."

I also submit a statement of the taxes paid by this company (Exhibit C) and the amount that would have been paid had the recommendations of Mr. McGill been followed. The comparison is for the years of 1912, 1913, and 1914. This statement, however, also shows what this ore was assessed at since 1907, and the statement that it was assessed at but 22 cents per ton for the year 1908 and 33 cents per ton for the years 1909 and 1910 speaks for itself as to the manner in which taxes were paid to the State on ore as valuable as their Wyoming ore. Prior to 1908 the assessment was even as low as 11 cents per ton for certain years.

Question. Are you able to compare the Wyoming scale of wages under contract with the operators of that State with the Colorado scale of wages, where there is no contract?

Answer. I do not know what the scale is in Colorado for the various wage classifications, but believe that even the Colorado operators will acknowledge that the Wyoming contract is higher than they pay; in fact, one of the miners' demands in Colorado was that they be paid the Wyoming day-wage rate.

Question. What is the length of the working-day in Wyoming and in Colorado in their respective coal mines?

Answer. The Wyoming miners have worked under the eight-hour agreement since September 1, 1907. The Colorado operators, I believe, inaugurated the eight-hour day only after the recent strike started in that State in the southern field.

Question. Have you any figures showing the relative death rate in the coal mines of Wyoming under union conditions and in Colorado under nonunion conditions?

Answer. The reports of the United States Geological Survey for the years 1908, 1909, 1910, 1911, 1912, and 1913 show that in those six years there were 773 men killed in the coal mines of Colorado and 242 men killed in the Wyoming coal mines. This would compare as follows: Number of men killed each year, average, in Colorado, 128½; in Wyoming 40½. Number of tons of coal produced for each fatal accident, average, in Colorado, 103,501 tons; in Wyoming, 197,305 tons. Number of men killed for each 1,000 employed, average, in Colorado, 9.07; in Wyoming, 5.37.

Question. Have you any figures showing the relative production of coal per man per year under union conditions in Wyoming and under nonunion conditions in Colorado?

Answer. The reports of the United States Geological Survey referred to above and for the same six years show that the production per man employed in and around the coal mines in the States of Wyoming and Colorado was, average for six years, in Wyoming, 883 tons per man; in Colorado, 779 tons per man.

Question. Do you know whether the Colorado Fuel & Iron Co. is holding valuable mineral lands in Wyoming without developing the same?



Answer. The Colorado Industrial Co., a subsidiary company of the C. F. & I. Co., is the owner of 8,199 acres of undeveloped coal land in Carbon County, classed by the United States Geological Survey as being among the most valuable coal lands of that county. And in connection with this company I desire to again quote from the report of State Tax Commissioner McGill: "Mr. Burdick appeared before the board of county commissioners of Carbon County on December 7, 1910, and made affidavit that 5,596 acres were grazing lands and should be assessed as such, and asked for and was granted a rebate of \$103,526, making the value \$60,454 instead of \$163,980, as it should have been. These coal lands are near the old town of Carbon and, according to the United States Geological Survey, are among the most valuable in Carbon County."

Question. Do the miners of Wyoming desire the Colorado Fuel & Iron Co. to extend its activities in the Wyoming field?

Answer. We can only judge individuals or corporations by past records, and in passing judgment on the Colorado Fuel & Iron Co. as a corporation men must work for we must necessarily look to the plants it has in operation and the condition of the men there employed to form an opinion as to whether it would be a desirable addition to the industrial corporations of this or any other State, and, considering the history it has made in its treatment of its men, its disregard for constitutional rights, its open and flagrant violation of laws, this company is itself a powerful and highly organized institution, employing thousands of men, with more than \$100,000,000 of assets, and, considering its policy toward the desire of its employees to themselves organize for their mutual protection, and the brutal and illegal methods used to stamp out every vestige of organization among its men, I believe every miner in Wyoming would answer the question most emphatically in the negative. They would, in making this decision, consider all the matters mentioned above. They would also consider that for many years they had maintained their organization in this State; that their employers had recognized it, and through the medium of the joint agreement a means had been agreed to whereby every grievance could be heard and considered and, if just, rectified, because of the agreement, while industrial war had waged in the State of Colorado, where the C. F. & I. Co. dominated the mining situation. In this State industrial peace has been in effect. The entrance of this powerful corporation into the coal-mining industry of Wyoming with its attitude toward the miners' organization as proven by the two great coal strikes in our sister State of Colorado leaves no doubt in the mind of any thinking man that it would spell the end of peace in the mining industry and with the bloody history of Ludlow fresh in our minds we do not wish to see the women and children of our State subjected to the horrors of another Colorado war. That this company has no more regard for law here than in other States is proved by the report of the tax commissioner; and in their mines at Sunrise and Chicago while the State law provides that eight hours is the legal work day underground and the coal miners of the State work but eight hours at their iron mines the 10-hour day is still in effect. This proves that the leopard has not changed its spots. In connection with this statement I am submitting extracts from the Wyoming Labor Journal of the issues of October 23 and 30, 1914 (Exhibit A), dealing with the evasion of taxes and the wages and hours of the miners employed in and around the iron mines at Sunrise and Chicago.

I also submit a copy of the report of Tax Commissioner John McGill, made to the board of equalization, July 31, 1912 (Exhibit B), and statements of taxes paid for the years of 1912, 1913, and 1914 and what those taxes should have been on the basis of the report of the tax commissioner, and this statement further shows the miserably low value assessed against this iron ore for the years of 1908, 1909, and 1910 (Exhibit C). Also attached is extracts from the minutes of the State board of equalization, in their meetings on April 11, June 8, July 1, and July 9, 1914 (Exhibit D). These meetings cover the period whereby the taxes on iron ore was raised to \$1.15 per ton and again reduced to \$1 per ton.

JAMES MORGAN.

CHEYENNE, WYO., March 12, 1914.

EXHIBIT A.

[Taken from Wyoming Labor Journal, of Cheyenne, Wyo., issues of Oct. 23 and Oct. 30, 1914.]

"ROCKEFELLERIZING" WYOMING.

IRON AND STEEL INTERESTS OF MONEY KING PLAY FAVORITE GAMES OF "GOUGE THE WORKERS" AND "SKIN THE PEOPLE"—A TRAIL OF PERJURY AND DECEIT.

CHAPTER I.

[Wyoming Labor Journal, Oct. 23, 1914.]

Large corporations are a necessary accompaniment of the development of industry. It is as idle to howl at corporations, as such, as it would be to howl at the machine in industry. Corporations are as different as individuals, however. Some corporations will abide by the laws of the State and Nation, relying on their size and ability to produce and market in large quantities any given product for their profitable operations. Others are like those mentally dwarfed individuals who are opposed to the regulations of society, and from their very beginning are active in setting aside all laws and defying all customs. The only point of difference is that lawless aggregations of capital engage the services of capable lawyers, whose duty it is, not to see that they keep within the law, but that they can keep out of its clutches while disobeying its mandates.

To this class of corporations belongs the Colorado Fuel & Iron Co., that gigantic industrial holding of the Rockefellers whose activities in Colorado and Wyoming are listed among the largest operations in these fast-growing States. With a far-sightedness common to those who covet the great natural resources of the land, they early "allotted" to themselves the choicest acres of Colorado's coal and iron deposits, till it is safe to say that at a reasonable appreciation of the value of these holdings it would aggregate into the hundreds of millions of dollars. Intrenched behind their control of these resources for countless years, they will continue to levy tribute on all society. The individual or corporation that is in control of the great natural resources of any State is in control of that State.

They have not alone harvested great wealth by reason of their ownership of the large area of coal and iron lands, but have been aided in this by the criminally low wages they have paid in mine as well as in their steel works at Pueblo, where wages range from \$1.55 for a 10-hour day "up." Also having fortified themselves with friendly officials in the counties in which their largest properties are located they pay but little taxes. By these devious ways that are common knowledge to those gentlemanly pirates of the law who delve in the law for the purpose of defying its purposes they succeed in evading payment of the major portion of their assessments.

The small property owner, he or she who has by many sacrifices gathered together a little home (with a rear yard large enough to accommodate a dozen hens and a small coal house) perchance are burdened by their heavy assessments. But for these there is little relief, for the hands of a blind justice, while it deals tardily with the malefactor, and views with a lenient mind the plant of these for a tax reduction, pays but scant heed to the "small fry." To refuse to pay these taxes means, for the small holder, future grief and inconvenience in the way of tax sales and final dispossession. In what contrast to this system is the method employed by the Colorado Fuel & Iron Co. in their tax cases.

The Colorado Fuel & Iron Co. operates the iron mines at Sunrise and Chicago iron mines, both located in Platte County, Wyo., as well as the Colorado & Wyoming Railroad, connecting the mines with the Colorado & Southern at Hartville Junction. Besides these very profitable properties this company also owns 8,199 acres of desirable coal lands in Carbon County. This coal land is not under development as yet, for their Colorado holdings lying closer to the steel plant are more available. But coal land will keep, and some day in the future the company can open these rich veins, which will have cost them next to nothing, and all the time that intervenes will but add to the value of this holding.

We will now show you that with all this tangible evidence of wealth this company does not, nor will it unless compelled to, pay a tithe of the tax it



should pay. To begin with the ore that is mined at Chicago mines and Sunrise is known as the highest grade of iron ore; its nearest rival in this respect being the ore from the Mesabi Range in Minnesota, also owned by the Rockefellers. The Mesabi Range ore runs 1 per cent less in metallic moisture, to all intents and purposes being worth less by considerable than their Wyoming ore.

For the year ending December 31, 1911, this company's mines, then located in Laramie County, showed a total production of 565,082.90 tons of ore, the gross value of which they represented to be \$375,142.79, and "by strange coincidence," as Tax Commissioner McGill says in a report to the State equalization board, "The expense incurred in production is exactly the same amount to a cent; a fraction less than 67 cents a ton."

Why did they go to the trouble to commit this perjury? In an attempt to evade the payment of State taxes?

The Wyoming law provides that working properties shall be assessed by the ton of gross output, "after deducting the expenses incurred in production." If their statement had been taken at its face value, there would have been no taxes paid. It was finally assessed at 60 cents a ton, or a total value, for taxation purposes, of \$203,698.44. They paid total taxes of \$4,231.34 for that year.

Tax Commissioner McGill tried to have the State board of equalization place the value of ore at \$2.07 a ton, a very reasonable rate when it is considered that Mesabi ore of an inferior grade has had a market value at the eastern steel mills since 1905 at \$4.34 a ton.

In 1913 the equalization board, responsive to public demands (and the inconsistency of Tax Commissioner John McGill) raised the value of iron ore from 60 cents a ton to 90 cents, and it was on this basis that they paid their taxes. This was not adequate, and demands were still being made for a higher rate. Finally, at a meeting of this board, held on April 11, this year, when the board met to place an assessment for valuation purposes on the mine and oil-well output of the State, on a motion by Houx, seconded by Forsyth, iron ore was assessed at \$1.15 a ton. This was still far too small for justice, but too large for the Colorado Fuel & Iron Co., for at the meeting of the board on June 8, they were represented in force by C. W. Burdick, their Wyoming lawyer, and a Mr. Gilchrist.

At this meeting Burdick vainly tried to get the newspaper men and others excluded, and an executive session of the board. Houx refused his consent to any "star chamber" session on what was the people's business, so Burdick was compelled to see the rates sustained till another meeting of the board, set for July 1. Tax Commissioner McGill served notice at this June meeting that if there was to be a meeting on July 1 for the purpose of taking up the protests over dissatisfied assessments he wanted to appear for the people. We are not surprised to hear then that a majority of the board found it convenient to be absent on July 1. On the 9th, however, McGill having been called to the north part of the State, in the meantime we find the board in session as usual. At this meeting (no protestants being marked present, they having evidently fixed their grievances beforehand) Forsyth moved a reduction of the C. F. & I. iron schedule to \$1 a ton, Houx voting "No." Cambria Fuel to 60 cents a ton and oil to 50 cents a barrel (we will have something to say of these two reductions in a later issue). So we see that, because the C. F. & I. is Rockefeller, their \$2.07 ore is worth only \$1 for purposes of taxation.

In plain terms the people are being defrauded out of 50 per cent of the taxes this company should pay, because the majority of the board of equalization favor such reduction. We are not partisan to this matter. The statement is based on the minutes of this board.

Now, we will see what this company is doing in Platte County, the company's mines being in the newly created county. Last week the Colorado Fuel & Iron Co. tendered \$3,400 in full payment of their taxes for which they stand assessed \$8,400, and have instituted action for an injunction restraining County Treasurer Agnew from taking the usual action for collection. This \$3,400 is their assessment on a production of 601,564 tons of iron ore based on a value, as set by the State, of \$1 per ton.

In their protest directed at Platte County officials, this company states that the actual value of their ore is 82 cents a ton (this same ore they reported as valueless in 1912), but that they will pay only a value of 41 cents, or one-half of their own valuation. Surely this gall is without precedent, and their defiance of law is unparalleled. They commit perjury without any hesitation for they know (and they know that the people know) that their ore is equal in value, at

least, to the Mesabi Range ore of less metallic value, and this ore they paid \$6.75 a ton for in the quantity of 70,000 tons at their Pueblo plant.

This company should be compelled to pay, not on a value of \$1.15, as set by the board and later lowered, but on the actual commercial value of the ore at the mine, which is \$2.07. The specious plea was made that these reductions in value were made to "encourage inside capital." If the State is to be impoverished, its resources exploited, and the people to get nothing in return, let outside capital stay out. Wyoming is rich in undeveloped resources, rather ten thousand times that they remain undeveloped than that our children and their children should be robbed of their fruitage.

The Colorado Fuel & Iron Co. states that they always abide by the law, and they are defying even a modest assessment through their Wyoming mouthpiece lawyer, Burdick. They are actually stealing from the children of to-morrow with the aid and connivance of State officials sworn to uphold the law.

Regardless of the fact that the new law raised the taxable value of the State from \$69,000,000 to \$186,000,000, or 270 per cent, while—again referring to Commissioner McGill's statement—the net increase on the Colorado Fuel & Iron Co. holdings was 18 per cent, and still they kick.

On their Carbon County coal lands, assessed at \$20 an acre, Burdick secured an abatement on 5,596 acres of the 8,199 as "grazing land"—a rebate of \$103,526 in value on this rich coal area, leaving the State a paltry valuation of \$60,454 for taxation purposes. Can you blame the people for accusing the company of perjury in this connection? If misrepresentation is in accordance with law, this company is law-abiding.

There is a law on the statute books of the State that provides an eight-hour day for all underground works, yet this company works its miners and laborers at Sunrise and Chicago mines a 10-hour day; is this obedience to the law?

There we see the Rockefeller C. F. & I. not only evading taxation by misrepresentation and perjury, but we also see them working men from \$1.75 to \$3.50 a day of 10 hours—10 hours in the case of some \$2.75 men—that coal miners are paid a minimum of from \$2.50 to \$3.30 an eight-hour day for doing. Are they law-abiding? Are they real builders of the State?

We are confronted with the same greed for profits, the same illegal operation and evasion of legal taxes that has made them rich and powerful—and hated—in Colorado.

## CHAPTER II.

[Wyoming Labor Journal, Oct. 30, 1914.]

For the year ending December 31, 1911, the Colorado Fuel & Iron Co. mined and shipped a total of 565,082.90 tons of iron ore from its Wyoming mines at Sunrise and Chicago mines, then in Laramie County. On this the company returned a production cost of the same amount or a fraction less than 67 cents a ton, maintaining by reason of this showing that there existed no net value for taxation purposes! On this ore they were assessed at the rate of 60 cents a ton. This rate is inequitable, as it could well be and not incite the people to mutiny.

A lengthy investigation by Tax Commissioner John McGill convinced him that a value of \$2.07 at the mines was a fair value to place on the ore for taxation purposes. The majority of the State equalization board were made to see different by Mr. Burdick, legal representative of this Rockefeller corporation, for we find that the following year, when they raised the value it was worth but 90 cents a ton. In April of this year McGill had the rate raised to \$1.15 a ton, a rate that was reduced at a July meeting when this same McGill was away.

Now about your State board of equalization. It is presumed to be the final arbiter on matters affecting taxable values. Composed of the State treasurer, auditor of state, and secretary of state, it is presumed to represent the majesty of the people and to adjudge a fair value for taxation purposes. In the construction of any department the people assume that State officials holding membership on any board, by virtue of their office, will be "on the job" to see that justice is done to the most humble individual, but that the largest aggregation will not be allowed privileges beyond what can be defended as just.

This is the theory of all government.

The State board of equalization is an administrative board and it is also judicial in its character inasmuch as it is given latitude in determining what is



equitable under the law in the matter of appraisements. It is presumed no individual or corporate body will be compelled to bear more than a just share of the burden and, inferentially, that no such individual or corporation bears less than its share of taxation.

In Wyoming we are confronted with the fact that this State board has been more than lenient in the case of the Rockefeller holdings.

Taking the output for this company during 1911, for example: 565,082.90 tons should have been assessed for taxation purposes at \$2.07 a ton, or \$1,169,721.60. They were really assessed at 60 cents, or \$339,049.65. A total value for which they were not taxed of \$830,671.95.

In 1913 they produced 501,564 tons valued at, based at \$2.07 a ton, \$1,245,237.48. Value raised by board to \$1, or \$601,564. Ore values produced in excess of those taxed, \$643,673.48. This is a total of \$1,474,345.43 in values, based on a conservative estimate, for only two years of its operation, that this corporation has defrauded the people of the State out of taxes on.

And even this miserably inadequate value of \$1 per ton they are contesting in the courts of Platte County. They say now that the ore has a value of 82 cents a ton and that they will only pay on a value of one-half, or 41 cents a ton. They can well say that so long as they can manipulate the courts and control elected officials they care not who elects them.

Also, there should be added the rebate of \$103,526 that was lifted off the value of their Carbon County coal lands by the county commissioners of that county for 1910, a proceeding that has made them another neat little sum by the saving of taxes on this sum for the last four years on \$414,104. This makes a total amount for the years specified of \$1,888,449.43 of tangible property that has not paid taxes. Who can say what the total amount would be for all the years they have been in business?

Do you blame them for being in politics when the pickings are so rich? Can you blame them for retaining Mr. Burdick and their able counsel when their eloquence can produce such results? Nor has the half been told. There are the valuable realty holdings in Chicago mines and Sunrise, for which they collect ample rent and for which they pay a miserably low tax. There are the miners and laborers working at Sunrise and Chicago mines for from \$1.75 to \$3.50 a 10 and 12 hour day.

The operating coal companies working under agreement with the mine workers of Wyoming pay a minimum wage of \$2.50 outside and \$3.30 inside for an eight-hour day. In other words, the coal operators pay a minimum of 31.25 cents an hour outside; the C. F. & I. iron mines pay a minimum of 17.5 cents an hour outside; C. F. & I. minimum lower than coal mines, 13.75 cents for outside labor; the coal operators pay a minimum of 41.25 cents an hour inside; the C. F. & I. pay a minimum of 22.50 cents per hour inside; C. F. & I. minimum lower than coal mines, 18.75 cents for inside labor.

In other words, company employees in the coal mines of Wyoming receive as much per hour as one underground worker and one top laborer at the iron mines.

Nor is this all. The C. F. & I. iron camps are "closed" camps. No unions are allowed, deductions are made for hospitals and doctors, and the men have nothing to say about the matter of disbursing the fund. A company store caters to the wants of the miners at a rate not dictated by outside competition. Mr. L. M. Bowers, himself an ex-divine, Rockefeller director in the C. F. & I. directorate, hinted in an article in Leslie's that his company paid particular attention to their employees' advantages, educational and spiritual. For this reason we suppose no word of protest escapes the camps at the methods.

There is a law on our statute books that eight hours shall constitute a day's work in all underground workings. There are underground workings at Sunrise and Chicago mines, and the shortest day is 10 hours. Is this law obedience?

#### EXHIBIT B.

CHEYENNE, WYO., July 31, 1912.

*To the honorable State Board of Equalization.*

GENTLEMEN: The report of the output of the Colorado Fuel & Iron Co.'s Sunrise and Chicago iron mines in Laramie County for the year ending December 31, 1911, shows a total of 565,082.90 tons, the gross value of which is represented to be \$375,142.97, and, by a singular coincidence, the expense incurred in production is exactly the same amount to a cent; a fraction less than 67 cents per ton. As the law provides that the gross value of the output, after

deducting the expense incurred in production, shall be assessed, according to their statement there is absolutely no value left to be assessed. I don't believe the taxpayers of the State would think we were doing our duty if we accepted their report and allowed this valuable property to escape its just proportion of taxation.

As there are no other iron mines in operation in the State to compare values with, in order to be able to place a fair valuation on this ore, it will be necessary to find the selling price of iron ore of a like character elsewhere. The Mesabi Range ore of Minnesota comes nearest of any to being the same kind of ore that is mined at the Sunrise and Chicago mines in Wyoming. At our conference on June 8 we learned from Mr. Gilchrist, the general manager of the Colorado Fuel & Iron Co., that the Wyoming ore that was shipped averaged 56 per cent metallic iron and the moisture contained in it was 6 per cent, while the selling price of Mesabi Range ore was on a basis of 55 per cent metallic ore and the percentage of moisture 11.39 per cent; so that, while the percentage of metallic iron in the ores was about the same, the moisture contained in the Wyoming ore is about 6 per cent less than the Mesabi ore, making the Wyoming ore that much more valuable. So that it is not unfair to the C. F. & I. Co. to place their ore on the same base as Mesabi ore. In the hearings before the committee of investigation of the United States Steel Corporation, it is shown that the average price of Mesabi or, half Bessemer and half non-Bessemer, delivered at the iron and steel works in the Pittsburgh district, for the seven years from 1905 to 1911, inclusive, was \$4.34 per ton of 2,000 pounds. The Engineering and Mining Journal of April 29, 1911, and the Mining and Engineering World of January 27, 1912, give the same price (\$4.34) per ton, for the years 1911 and 1912. The Wyoming ore costs 67 cents per ton on cars at the mines, and the freight from the mines to Pueblo is \$1.60 per ton; a total of \$2.27 per ton delivered at their works, as against \$4.34 per ton for not quite so good a quality of ore delivered in the Pittsburgh district. It will be easily seen that \$2.27 does not nearly represent the value of the ore. In comparison with Mesabi ore, the value of Wyoming ore would be as follows:

	Per ton.
Net value at mine.....	\$2. 07
Operating expense, or expense incurred in production.....	. 67
Gross value at mine.....	2. 74
Freight from mine to Pueblo.....	1. 60
Total value delivered at iron works at Pueblo.....	4. 34

By the foregoing table the net value or value at which it should be assessed is \$2.07 per ton, instead of no net value whatever, as their report shows. In 1905 the C. F. & I. Co. shipped over 70,000 tons of Mesabi iron ore from Minnesota that cost them \$6.75 per ton delivered at their works in Pueblo, but as that was a case of emergency, it would not be fair to take that price as a basis, but a net value of \$2.07 per ton at mine, and a total value of \$4.34 delivered at Pueblo is very conservative.

At one of our conferences Mr. Burdick, the company's agent, made the statement that the company in reporting their output included the amount of ore that runs less than 50 per cent iron and is not shipped, but piled in huge heaps near the mine, a statement that was contradicted by reports from the general freight agents of the Burlington & Missouri and Colorado & Southern Railways, showing that for the year ending December 31, 1910, there was shipped over these roads 291 tons of ore more than the C. F. & I. Co. report as their output for that period, showing conclusively that not a pound of that immense tonnage is included in their report. At our conference held on June 8, Mr. Burdick acknowledged he was mistaken, but I deem it my duty to mention the circumstances in this report, so that it may become a matter of record, and, when the company by concentration or otherwise is able to use it, it may be properly assessed as it should be.

I insert the following clipping from the Denver Times of March 29, 1912, to show the prosperous condition of this company:

"The Colorado Fuel & Iron Co., Colorado's biggest industrial and manufacturing corporation, has landed from the Rock Island system another big rail order, amounting to \$300,000. The big rail mills at Pueblo are now running with full force, night and day, with double shifts of men, giving employment to thousands of laborers in this State and Wyoming.



"An officer of the company is authority for the statement that the corporation is maintaining its record for the past two years under the ownership of John D. Rockefeller, and is accumulating a big surplus. Its assets showed a greater increase in the six months ending on December 31, last, than they did for the entire year ending on June 30, 1911.

" OLD DEFICIT OVERCOME.

"The company had assets worth \$62,254,005.86 at the close of business on June 30, 1911. This amount was increased to \$63,653,159.42 during the next six months, a gain of \$1,399,153.56. The company showed a surplus of \$3,260,641.91 at the beginning of this year, a gain during the six months of \$1,023,490.03. The full meaning of this showing is apparent when it is known that when Rockefeller took over the property it was showing a deficit."

I submit the following extracts from the reports of the board of directors to the shareholders of the C. F. & I. Co., to show the constantly increasing values of their mines in Wyoming. In the report for the year ending July 30, 1905, is the following:

"The value and extent of the Sunrise iron mine is constantly improving under liberal prospecting with diamond drills, shafts and drifts, and the current production is steadily increasing. A still greater increase will be made possible, prior to October 1, by the completion of a branch railroad by the Burlington system to the north end of these properties, to what is known as the Chicago mine, where large bodies of both Bessemer and non-Bessemer ores have been proven, and from which shipments will be made in such quantities as transportation may be provided and the progress of the underground work will permit.

"Pending the full development of these valuable properties it has been found desirable to procure a quantity of iron ore from Lake Superior to enable your company to operate a sufficient number of its blast furnaces to meet the very generous demand for steel rails."

In the report for 1906 the following appears:

"The development at the iron ore properties at Fierro, N. Mex., and Chicago and Sunrise, Wyo., has progressed very satisfactory, and the quantity of ore now blocked out and in sight is in excess of that at any period in the history of the company. The work of expanding the supply of this class of raw material will continue, and it is now expected that enough iron ore will be shown to meet the growing demand for many years."

In the report for 1907 the following appears:

"The additional iron ore blocked out during the past year at the New Mexico and Wyoming properties greatly exceeds the consumption during that period and insures a larger supply than has heretofore been known to exist, thus removing all cause for doubt or anxiety about the ore reserves of the company."

In the report for 1909 the following appears:

*To the stockholders:*

Your executive officers decided early in the present year to have an appraisal of all the mines, lands, and property of the company and its subsidiaries, regardless of the original cost or book values, for the following reasons:

Much of the ore and coal lands were secured by the several companies now merged into the Colorado Fuel & Iron Co., from 15 to 25 years ago and largely undeveloped. The valuation was mainly based upon outcroppings and at figures that were almost entirely speculative. Most of the properties that have been developed during these 25 years have proven to be immensely valuable.

When these properties were secured by purchase or merger there was but little demand for iron ore, and this now great industry was of but trifling importance. As late as 1900 the iron-ore properties developed at that time showed but about 6,000,000 tons, while in 1909 there is developed more than 35,000,000 tons. Estimates made by competent experts of your undeveloped iron properties give a tonnage which, with that already developed, is sufficient to supply the steel plant, running at its present capacity, for 50 or 60 years at least.

Since the entries made on the books during the past 25 years the iron industry has developed to enormous proportions and iron-ore properties are considered among the most valuable of minerals in the United States.

The development of your coal and coke properties during the same period of years shows a large increase in tonnage over former estimates. The large acreage of undeveloped coal lands warrants their being appraised at many

millions more than the old book valuations. They are valuable assets for coal operations alone and a very important one in connection with the iron industry.

We have for reasons above stated proceeded to have valuations made without reference to the almost worthless entries made on the books so many years ago, and under conditions that have entirely changed between 1880 and 1909. While the old valuations have been in most instances increased we have cut down and wiped out for depreciation and for poor abandoned coal mines a very large amount. The estimated value of these properties by experts is more than that now placed upon them and submitted herewith.

We have for reasons above stated proceeded to have valuations made with your executive officers believe to be a conservative and proper valuation in 1909.

L. M. BOWERS, *Chairman*,  
J. F. WELBORN, *President*,  
F. R. GATES, *Vice President*,  
J. A. WRITER, *Auditor*,  
JOSEPH CHILBERG, *Sales Manager*,  
*Executive Committee.*

*Consolidated balance sheet of the Colorado Fuel & Iron Co. and subsidiary companies made from new appraisal of property as of June 30, 1909.*

# ASSETS.

Iron ore, coal, limestone, and other lands.....	\$58,335,250.00
Equipment at steel plant, coal mines, coke ovens, etc., book figures.....	\$34,620,318.15
Less:	
Discount on bonds and stock, underwriting, etc.....	\$5,720,828.88
Tin-plate plant never operated, cost \$1,332,574.76, and value estimated at one-half for other purposes.....	666,287.38
Abandoned mines.....	537,177.52
	6,924,293.78
	27,696,024.37
Railroads:	
Book figures.....	7,254,580.40
Less reduction by revaluation.....	1,462,997.46
	5,791,582.94
Cooperage plant.....	20,253.74
Timberlands, franchises, buildings, etc.....	34,005.09
Inventories—supplies and manufactured stock.....	2,616,334.61
Accounts receivable.....	3,076,691.53
Cash on hand.....	2,440,974.08
Bills receivable.....	97,801.44
Securities—stocks and bonds.....	201,783.55
Cash held by trustees.....	46,628.22
Reserve funds.....	170,338.67
Accrued interest on securities.....	4,299.15
Payment of royalties in advance.....	24,507.67
Total assets.....	100,556,475.06

# LIABILITIES.

Capital stock of C. F. & I. Co.:	
Common stock.....	\$34,235,500.00
Preferred stock.....	2,000,000.00
	\$36,235,500.00
Funded debt:	
C. F. & I. Co. general mortgage 5 per cent bonds.....	5,440,000.00
C. F. & I. Co. 5 per cent 10-year convertible debentures.....	1,003,000.00
Colorado Fuel Co. general mortgage 6 per cent bonds.....	438,000.00
Colorado Industrial Co. 5 per cent bonds.....	33,911,000.00
Rocky Mountain Coal & Iron Co. first mortgage 5 per cent bonds.....	567,000.00
Grand River Coal & Coke Co. first mortgage 6 per cent bonds.....	889,000.00
Colorado Coal & Iron Development Co. mortgage 5 per cent bonds.....	575,000.00
	42,823,000.00
Accounts payable and pay roll.....	1,202,756.33
Accrued bond interest, not due.....	863,106.67
Accrued taxes, not due.....	113,500.00
Fund for fire insurance.....	10,284.66
	81,248,147.66
Net appreciation from 1880 to 1909 on iron ore and coal properties (developed and undeveloped), equipment at mines, steel and other plants, railroads, rolling stock, etc.....	19,308,327.40
	100,556,475.06



The report for 1910 shows, for that year, the total production of all the company's iron mines was 879,630 tons. Of this amount 735,423 tons, or over 83 per cent of the total, was mined in Wyoming.

These quotations are made to show how valuable these properties appear to be to the directors of the company. Your attention is particularly called to the quotation from the report for 1909. By the reappraisalment \$19,308,327.40 was added to the value for that year, but, so far as Wyoming is concerned, when it came to listing the company's property for taxation, we did not get a raise of 19 cents. On the contrary, Mr. Burdick appeared before your honorable body and asked that the value of the output for the year 1910 (the year following the \$19,000,000 raise) be placed 10 per cent lower than the year 1909. And in Carbon County, after the coal lands (8,199 acres) of the Colorado Industrial Co., a subsidiary of the Colorado Fuel & Iron Co., had been listed by the assessor for the year 1910 at \$20 per acre, making a total valuation of \$163,980, Mr. Burdick, on December 7, 1910, made affidavit before the board of county commissioners that 5,596 acres were grazing lands and should be assessed as such, and asked for, and was granted, a rebate of \$103,526, making the value \$60,454 instead of \$163,980, as it should have been. These coal lands are near the old town of Carbon and, according to the United States Geological Survey, are among the most valuable in Carbon County.

For the year 1910 the C. F. & I. Co. paid for State, county, and school purposes a total tax of less than 0.56 of a cent per ton on their output. It is easily seen that this valuable product must be greatly undervalued when it only pays a total tax of the ridiculously small sum of 0.56 of a cent per ton for each ton of ore that is taken out of our State, and while there may have been other reasons, I have no hesitancy in stating in this public manner that they have been able to evade taxation by reason of false and perjured statements of their agents as to the valuation of this property, and an effort should now be made to compel this Rockefeller corporation to pay more nearly its just proportion of the taxes of the State. When Mr. Houx requested them to furnish your honorable body with information as to the amount of iron ore, coal, coke, and limestone used and the cost of labor in producing a ton of steel rails, in order that your honorable body might be enabled to place a fair valuation on this ore, they refused, on the pretext that that would be giving their business secrets to their competitors.

In my report to you of June 2, 1911, it is shown that in 1908 the total assessed valuation of the State was \$69,000,000; in 1909, under the new assessment law, it was \$186,000,000; an average increase in value of 270 per cent on all the property of the State, while the net increase on this property was only about 18 per cent. The same report shows that since 1905 the freight from mines to Pueblo has been reduced 95 cents per ton, making the net value that much more.

In considering the reports of the board of directors to the shareholders of the company and the affidavits of Mr. Writer, the auditor of the company, and Mr. Burdick, the company's agent or attorney, there is only one of two conclusions that can be properly arrived at. Either the directors of the company are deliberately and willfully making false and erroneous statements to the shareholders, as the United States Steel Co.'s directors were accused of doing and for which that company is now being investigated by a special committee, or Mr. Writer and Mr. Burdick, by their affidavits as to the value for taxation of the company's property in Wyoming, are guilty of the grossest kind of perjury.

It is in obedience to law that I make you this report, and as the same law requires me to make appraisalment of this property, I hereby appraise the value of the gross output (565,082.90 tons), after deducting the expense incurred in operation, at \$2.07 per ton, and recommend that it be assessed at not less than \$2.07 per ton.

Respectfully submitted,

JOHN MCGILL,  
*Commissioner of Taxation.*

EXHIBIT C.

Colorado Fuel & Iron Co.

Amount paid:		Amount that should have been paid following Mr. McGill's recommendations:	
1908—625,910 tons, at \$0.22 -----	\$137,700.40		
Levy, 21.7; tax \$2,988.10.			
1909—354,012 tons, at \$0.33 -----	116,823.96		
Levy, 6.77; tax, \$790.90.			
1910—607,873 tons, at \$0.33 -----	200,598.09		
Levy, 7.245; tax, \$1,453.33.			
1911—735,423 tons, at \$0.60 -----	441,253.80		
Levy, 8.39; tax, \$3,702.12.			
1912—565,082.9 tons, at \$0.60 -----	339,049.74	1912—565,082.9 tons, at \$2.07 -----	\$1,169,719.74
Levy, 8.38; tax, \$2,841.23.		Levy, 8.38; tax, \$9,802.25.	
1913—629,686 tons, at \$0.95 -----	598,201.70	1913—629,686 tons, at \$2.07 -----	1,303,450.02
Levy, 14.16; tax, \$8,470.54.		Levy, 14.16; tax, \$18,456.85.	
1914—Iron, 601,564 tons, at \$1 -----	601,564.00	1914—Iron, 601,564 tons, at \$2.07 -----	1,245,237.48
Copper, 945 tons, at \$42.75 -----	40,398.75	Copper, 945 tons, at \$42.75 -----	40,398.75
Total valuation 1914— Levy, 10.5; tax, \$6,740.61.	641,962.75	Total valuation 1914— Levy, 10.5; tax, \$13,499.18.	1,285,636.23

EXHIBIT D.

[Extracts from minutes of meetings of State Board of Equalization, State of Wyoming.]

CHEYENNE, WYO., April 11, 1914.

The board met on above date pursuant to adjournment of April 4 for the purpose of placing a valuation for assessment purposes on the mine and oil-well output of the State.

Full board present.

A full discussion of values followed and among numerous other of above-named industries the valuation on iron and copper ore and the oil-well output.

Colorado Fuel & Ore Co.: Iron ore, \$1.15 per ton; copper ore, \$42.75 per ton.

After discussion of the valuations of the oil-well output, it was, by motion, decided to place the valuation for taxation purposes at \$1 per barrel.

CHEYENNE, WYO., June 8, 1914.

President of the board stated the meeting was called to give a hearing to all parties who might protest on valuation of oil, coal, etc.

Numerous protests were read, also a number of affidavits in regard to the valuation of oil.

The board was then addressed by Mr. Schuyler, representing the Midwest Oil Co.; by Judge William Metz, representing the Wyoming Crude Oil Co., the Castle Cdeek Oil Co., and the California Oil Co.; by Mr. E. J. Sullivan, representing the Basin Oil & Gas Co.; by Mr. Fisher, consulting oil expert; by Mr. C. W. Burdick, representing the Colorado Fuel & Iron Co.; by Mr. Gilchrist, representing the Colorado Fuel & Iron Co., who by tables and analysis showed the valuation of iron ore compared with other ores of the Michigan and other mines.

The board adjourned without taking any action until July 1, 1914.

CHEYENNE, July 1, 1914.

No quorum being present, the meeting was adjourned subject to call of the president.



CHEYENNE, July 9, 1914.

The president stated that at this meeting the question of the valuation on the product of the Colorado Fuel & Iron Co. and the oil output of the State and others on which protests had been made should be settled, and the following resolution was adopted:

*Resolved*, That after full consideration of the showing made by the producers of coal, oil, and iron, the petitions of many citizens of the State, and affidavits filed by operators and by experts relating to valuation of coal, oil, and iron, that the ends of justice and the best interests of the State will be subserved by the board reconsidering the action on April 11, 1914, as regards valuations of the Cambria Fuel Co., Colorado Fuel & Iron Co., and the oil output of the State, and that the same be placed as follows:

Colorado Fuel & Iron Co., \$1 per ton; oil output, \$0.50 per barrel.

A vote on the above resolution was—yes 2 and no 1.

So far as known, the above resolution was based on statements made before the board on June 8 by men representing the different companies interested. Read what the State tax commissioner has to say in regard to these valuations.

You may also refer to this report of the tax commissioner for proof of statements made in the article printed in the Wyoming Labor Journal under dates of October 23, 30, and November 26.

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STATEMENT OF MR. MARTIN EGAN.

23 WALL STREET,  
NEW YORK, March 15, 1915.

DEAR MR. BROWN: I inclose herewith the statement which you requested, as to the records of International Mercantile Marine Co.

Trusting that this covers what you want, I am,

Very truly, yours,

MARTIN EGAN.

MR. LEWIS K. BROWN,  
*Commission on Industrial Relations,  
Transportation Building, Chicago, Ill.*

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INTERNATIONAL MERCANTILE MARINE CO.,  
New York, March 12, 1915.

This certifies that the minutes of meetings of the board of directors and of the finance committee of the International Mercantile Marine Co. held during the past five years contain no reference whatever to any action or report made in regard to labor conditions either here or abroad.

Attest:

EMERSON E. PARAIN, *Secretary.*

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23 WALL STREET,  
New York, March 5, 1915.

MR. LEWIS K. BROWN,  
*Secretary Commission on Industrial Relations,  
Transportation Building, Chicago, Ill.*

MY DEAR SIR: I send you herewith the information requested by your letter of March 1.

Very truly, yours,

MARTIN EGAN.

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THE PULLMAN CO.,  
Chicago, February 26, 1915.

I, A. S. Weinsheimer, the secretary of the Pullman Co. and keeper of the records and minutes of the proceedings of its board of directors and executive committee, do hereby certify that I have carefully gone over and examined all of said records and minutes for the last five years and that there is in those records, or on those minutes, nothing bearing on the questions of labor.

Witness my hand and the seal of said company the day and year above written.

[SEAL.]

A. S. WEINSHEIMER, *Secretary.*

INTERNATIONAL MERCANTILE MARINE Co.,  
New York, February 2, 1915.

J. P. MORGAN, Esq.,  
23 Wall Street, New York City.

DEAR SIR: The minutes of meetings of the finance committee of this company held during the past five years contain no reference whatever to any action or report made in regard to labor conditions either here or abroad.

Yours, respectfully,

EMERSON E. PARAIN, *Secretary.*

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STATEMENT OF MR. BENJAMIN C. MARSH.

FEBRUARY 4, 1915.

MR. BASIL M. MANLY,  
*United States Commission on Industrial Relations,  
Metropolitan Building, New York City.*

MY DEAR MR. MANLY: Inclosed please find a copy of the statement which I shall give before your commission to-morrow or Saturday, if I am given the opportunity.

Very truly, yours,

BENJAMIN C. MARSH.

The most important task before this country is to exterminate those forms of privilege for the few which mean inevitably poverty and misery for the many, no matter how sober and thrifty those many may be. The chief privileges of the country are land monopoly, control of credits, high protective tariffs, and franchises. That there are other secondary forms of legalized graft, such as patents, proprietary medicines, etc., is freely admitted.

All "foundations" in this country were secured from one or more of these chief privileges; and it is not in the nature of things that the Sage, Carnegie, and Rockefeller Foundations should seek to terminate the legalized robbery by which their founders have amassed their fortunes, although of course they might do so. They have not, however; and on the contrary, at least the sage Foundation, has, through its dominating director, Mr. Robert W. De Forrest, opposed any effort to exterminate fundamental privilege. The avowed purpose of the Sage Foundation is false and misleading. It does not exist "for the improvement of social and living conditions in the United States of America."

Neither the Sage nor the Rockefeller Foundations dare attack any fundamental economic evil; they prefer to mislead and fool the public as to the causes of poverty, which they regard, or pretend to regard, as personal.

For several years I have been working to secure a referendum on heavier taxation of land values in New York City—called by the land speculators themselves the "Paradise of land speculators. In 1912 Mr. Lawrence Veiller, the director of the tenement house committee of the charity organization society of which Mr. Robert W. De Forrest is president, appears against the proposal at a legislative hearing in Albany, while that committee also refused to indorse the proposal in 1911, as being of no importance. In the spring of 1912 I called upon Mr. De Forrest at his office, and asked him why the charity organization society and the Russell Sage Foundation opposed untaxing buildings and taxing land values. He replied that it was a very dangerous thing to do, and that he would fight it. I assured him that I would fight him then, if he were seeking to perpetuate privilege. What methods he has adopted to oppose breaking up land monopoly, I do not know.

Foundations, such as the Carnegie, Sage, and Rockefeller, have no place in a democracy. They are attempting to usurp the functions of government. That the Government should wait for a private foundation to investigate hook worm, cancer, or loan sharks is a worse indictment of our democracy than the most flagrant boodling of Tweed or Quay.

I believe that the effect of these foundations has been most harmful in two respects:

First. They have misled the public as to fundamental causes of poverty.

Second. They have detracted attention from the fact that these causes of poverty must be removed by governmental action, and that voters must require government to remove these causes.



Incidentally, they have taken much of the manhood out of the agents of private charities. What do any of the great foundations claim to have done or what do they plan to do to exterminate privilege?

Fortunately, however, the malign influences of these and similar foundations is passing away, as the public realizes that they are merely the stool pigeons of privilege. The people are turning to the proper power to secure economic justice—government.

I want to urge upon the commission that the most important measure to secure more employment, and automatically to shorten the working day and improve the conditions of labor generally, is to tax land, mines, etc., into proper productive use. The immediate establishment of a national labor exchange is, of course, vital, but when land speculators are forced to use their land or let others do so, necessity will be a very effective mother and devise ways of getting the jobless man on the job.

We should have relatively little desitution of the grinding sort, constantly recurring in our cities and even small towns, if three-quarters or even two-thirds of the country's population were self-sustaining on small farms.

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### STATEMENT OF MR. CONRAD RENO.

#### PARTNERSHIP EQUALITY OF REWARD BETWEEN CAPITAL AND LABOR.

#### A SCIENTIFIC DIVISION OF PROFITS OR JOINT EARNINGE, BETWEEN CAPITAL AND LABOR.

[Reply to Mr. Brandeis.]

In reply to the statement of Mr. Louis D. Brandeis before the Federal Commission on Industrial Relations on January 23, 1915, that a scientific division of profits between capital and labor was not feasible because it was necessarily a matter of bargaining, allow me to outline a plan of capital-and-labor partnership, which, I believe, would result in a scientific division of the joint earnings between the capital partners and the labor partners, and which would be entirely feasible.

The feasibility of the proposed plan has been indorsed by President Emeritus Eliot, of Harvard, and by Sir George Livesay, of London, and many others. Will the plan effect a scientific division of their joint earnings between capital and labor?

The partnership plan is to make all the net earnings in excess of living wages for the labor partners and living dividends of, say, 6 per cent for the capital partners, the joint partnership property of all the industrial partners of each industrial partnership, and to divide such joint partnership property between labor and capital in the ratio of living wages to living dividends.

Thus, if the living wages equal in amount the living dividends for the same time, the joint partnership property will be divided between labor and capital in the ratio of 1 to 1, or equal shares to the two classes of partners. If the living wages amount to more (or less) than the living dividends, the division of the joint partnership property between labor and capital in the same ratio of living wages to living dividends would also result in partnership equality of reward, and thus effect a scientific division of the joint earnings.

Partnership equality of reward for capital and labor is the ideal condition in industry toward which we are gravitating. Such partnership equality of reward would make for a larger output of goods by the labor partners because it recognizes their equality of right with the capital partners in their joint product. A larger output would make it feasible to increase the reward of labor without decreasing the reward of capital and without increasing the cost of living.

Mr. Brandeis is right in saying that a condition of inequality between the two forces of capital and labor exists, and that even strong labor unions are not equal to the industrial trusts in bargaining power. If the division of the joint earnings between labor and capital is to be left entirely to bargaining between the parties, partnership equality of reward will be difficult if not impossible of achievement, because the side which possesses the greater bargaining power will get the best of the bargain and thus produce inequality

of reward. Where great inequality of bargaining power exists the law has found it necessary to aid the weak side and to fix living wages for women and children and to fix the maximum workday and other terms of the relation between capital and labor.

The next step toward equality of reward between labor and capital should be a law enacting that the capital and labor employed in our public service corporations shall constitute an industrial partnership, whose joint earnings shall be the joint partnership property of the industrial partners, and after the payment of living wages to labor and living dividends to capital, such joint partnership property shall be divided between labor and capital in the ratio of partnership equality of reward stated above. At the same time such industrial partnership for public service should be exempted from the operation of the Sherman Act of Congress and like State laws, for the reason that such capital-and-labor partnerships are not trusts or monopolies, but are co-operative partnerships based upon the fundamental principle of social justice called partnership equality of reward.

In the case of the industrial trusts such a partnership act of Congress should be permissive and should declare that upon the voluntary adoption of the partnership plan by the capital and labor of any trust the Sherman law shall cease to operate with respect to the capital and labor composing such industrial partnership.

The efficiency of such capital and labor partnerships will be greater than the efficiency of the trusts, because the labor partners will be converted from employees, with no share of the profits, into partners with a fair share of the profits. Greater efficiency means larger production per unit of industrial service. With partnership equality of reward, it means higher wages, higher dividends, and lower cost of living—or prosperity.

Labor has strong objections to scientific management without scientific division of the joint earnings, because it makes for greater inequality of reward against labor instead of evening up wages with dividends.

To restore equality of bargaining power the law has pursued the course of breaking the trusts into small units ever since the passage of the Sherman Antitrust Act of 1890. The efficiency of large units has thus been destroyed and prosperity lessened. If freedom and equality have been brought nearer to the door of the average man, it has not been the freedom and equality of prosperity, but the freedom and equality of poverty. Wages have fallen with dividends.

The best practical means of putting new hope and courage and energy into both capital and labor, and of restoring general prosperity, seems to be to compel monopolies and to encourage the trusts and other large units of industry to adopt the principle of partnership equality of reward for the social services of labor and capital.

It is the master-and-servant relation of inequality which lies at the root of our social unrest. The workman has ceased to regard himself as a servant or the capitalist as his master. He regards himself as the equal of the capitalist and demands equality of reward between the two social factors in industry in proportion to the value of their respective services to society at large. He claims the whole fruit of his labor and denies the right of any master or employer to take part of the fruit of his labor.

To restore equality of bargaining power between master and servant will not cure social discontent, therefore, as long as the relation of master and servant exists, the remedy must cut to the root of the relation between capital and labor and must change this relation into one of industrial partnership with equality of reward for their social services.

CONRAD RENO.

SPRINGFIELD, MASS., *January 26, 1915.*



## EXHIBITS.

### ROCKEFELLER JR., EXHIBIT NO. 1.

INFORMATION FURNISHED BY THE ROCKEFELLER FOUNDATION IN RESPONSE TO QUESTIONNAIRE SUBMITTED BY THE UNITED STATES COMMISSION ON INDUSTRIAL RELATIONS.

#### ORGANIZATION.

Question 1. Please furnish copies of constitution and by-laws.

Answer. Copies of the charter, being chapter 488 of the Laws of 1913 of the State of New York, and of the constitution and by-laws are hereto annexed, marked, respectively, Schedules A, B, and C.

Question 2. What boards, funds, commissions, and other organizations have been included under the Rockefeller Foundation?

Answer. None. The Rockefeller Foundation is not a consolidation of pre-existing organizations, but is a separate and distinct creation with its own funds.

Question 3. Who are the members of the present board of directors? (a) For what terms do they serve?

Answer. For the term expiring 1915: Harry Pratt Judson, Simon Flexner, Starr J. Murphy. For the term expiring 1916: John D. Rockefeller, John D. Rockefeller, jr., Frederick T. Gates. For the term expiring 1917: Charles W. Eliot, Wickliffe Rose, Charles O. Heydt, Jerome D. Greene, A. Barton Hepburn.

Question 4. How and by whom will the future directors be chosen? (a) For what terms will they serve?

Answer. "New members, whether as successors to those named in the act of incorporation or otherwise, and such additional members as they or their successors shall see fit to associate with them, shall be elected by ballot, either at the annual meeting of the corporation or at a special meeting duly called for that purpose, by vote of a majority of the members of the corporation attending such meet. Any member may withdraw from the corporation by a notice in writing to the president or secretary. The members shall be at all times divided into three classes, equal numerically as nearly as may be, and the original members shall at their first meeting, or as soon thereafter as may be convenient, be divided into three classes, the members of the first class to hold their membership and office until the first annual meeting, the members of the second class until the second annual meeting, and the members of the third class until the third annual meeting, and in every case the member shall hold office after the expiration of his term until his successor shall be chosen. At each annual meeting the successors to those members whose term of office then expires shall be chosen for the term of three years and until their successors shall be chosen." (Constitution, Art. 1.)

Question 5. Who are the present officers of the foundation and its subsidiary organizations? (a) How are they chosen? (b) For what terms do they hold office?

Answer. The present officers of the foundation are: John D. Rockefeller, jr., president; Jerome D. Greene, secretary; Louis G. Myers, treasurer; Lefferts M. Dashiell, assistant treasurer.

These offices, with the exception of the assistant treasurer, were chosen by ballot at the first meeting of the foundation, held May 22, 1913, and reelected at the first annual meeting of the foundation, held January 21, 1914, in accordance with Article IV of the constitution, which is as follows:

" OFFICERS.

"The officers of the corporation shall consist of a president, secretary, and treasurer, together with such other officers as may be determined by the by-laws. These officers shall have the duties and exercise the powers assigned to them by this constitution or by the by-laws, or by resolutions adopted pursuant to the authority of this constitution or the by-laws. At each annual meeting of the corporation, or, in default of election at such meeting, then at an adjournment thereof, or at any meeting duly called for that purpose, the corporation shall elect by ballot a president, secretary, and treasurer, and it may choose such other officers as the by-laws shall from time to time provide. All the officers, whether elected or appointed, shall hold office at the pleasure of the corporation, but in no case beyond the time when their respective successors shall be elected and accept office."

The assistant treasurer was appointed by the executive committee at its meeting on March 18, 1914.

The foundation has created as a subsidiary organization the International Health Commission, the purpose of which is to extend to foreign countries and peoples the work of eradicating hookworm disease as opportunity offers, and so far as practicable to follow up the treatment and cure of this disease with the establishment of agencies for the promotion of public sanitation and the spread of knowledge of scientific medicine. The members of the International Health Commission are the members of the executive committee of the Rockefeller Foundation, viz: Simon Flexner, Jerome D. Greene, Charles O. Heydt, Starr J. Murphy, John D. Rockefeller, jr.; and Messrs. Charles W. Eliot, Frederick T. Gates, William Crawford Gorgas, David V. Houston, Walter H. Page, Wickliffe Rose, William H. Welch.

The officers of the International Health Commission are: John D. Rockefeller, jr., chairman; Wickliffe Rose, director general; John A. Ferrell, assistant director general.

These officers were elected by the members of the International Health Commission at its annual meeting held January 20, 1914, for the term of one year, or until their successors are elected.

FUNDS, CHARACTER, AND CONTROL.

Question 6. Please furnish a statement showing in detail the funds, securities, and other sources of income now held by the foundation or by any subsidiary organizations.

Answer. See Schedule D.

Question 7. By what committee, board, or person are the funds of the corporation controlled? (a) Who controls the character of investment or place of deposit of the funds? (b) On whose authorization and in what manner are funds appropriated? (c) On whose warrants are funds paid out? (d) What regulation governs the expenditure of the interest or limits the accumulation of the fund? (e) What regulation controls the expenditure of the principal?

Answer. (a) The finance committee controls the character of the investments. (By-laws, Art. II.) The executive committee controls the place of deposit of the funds. (By-laws, Art. V.)

(b) Appropriations are made by the board of directors or the executive committee on the report and recommendation of the secretary or any other officer or member of the foundation.

(c) "No bills shall be paid except those which have been incurred pursuant to a resolution of the corporation or under the authority of the executive committee, and such bills shall be paid only on a voucher approving the same for payment and referring to the specific resolution or authorization pursuant to which they were respectively incurred, which voucher shall be signed by the president and the secretary or such of the assistant secretaries as shall be designated by resolution of the corporation or the executive committee, or in the case of the absence or disability of either the president or secretary, by such other member of the corporation as such absentee shall designate in writing for that purpose.

"A current-expense account of not to exceed \$5,000 on deposit at any one time may be opened with such depository as may be designated by the executive committee, which shall be subject to draft upon the signature of the cashier of the corporation, who shall be bonded at the expense of the corporation for such sum as the executive committee shall fix." (Art. V of by-laws, pars. 2 and 3.)



(d) As regards the accumulation of the fund, the charter of the foundation provides:

"The corporation \* \* \* shall have the power to take and hold by bequest, devise, gift, purchase, or lease, either absolutely or in trust for any of its purposes, any property, real or personal, without limitation as to amount or value, except such limitation, if any, as the legislature shall hereafter specifically impose; to convey such property and to invest and reinvest any principal and deal with and expend the income and principal of the corporation in such manner as in the judgment of the trustees will best promote its objects. It shall have all the power and be subject to all the restrictions which now pertain by law to membership corporations created by special law so far as the same are applicable thereto and are not inconsistent with the provisions of this act."

(e) As regards the expenditure of the principal and income, the only restrictions are:

1. The following provision in Mr. John D. Rockefeller's letter of March 6, 1914:

"It is a condition of this gift that from the income of the foundation the sum of \$2,000,000 annually, or as much thereof as I shall designate, shall be applied during my lifetime to such specific objects within the corporate purposes of the foundation as I may from time to time direct. If at the close of any fiscal year there shall remain any balance of the \$2,000,000 which I have not thus designated during that fiscal year, such balance shall be transferred to the general unrestricted income of the foundation, to be used as the foundation shall see fit. Subject to the foregoing provision, the principal as well as the income of this gift may be used in your discretion for any of the corporate purposes of the foundation."

2. By-laws, Art. VIII, as follows:

"No part of the principal of the funds of the foundation shall be distributed except pursuant to a resolution passed by the affirmative vote of two-thirds of all those who shall at the time be members of the foundation at a special meeting held on not less than 30 days' notice given in writing to each member of the foundation, which shall state that the meeting is called for the purpose of considering a resolution to authorize the distribution of the whole or some part of the principal of its funds."

Question 8. From what sources have the funds of the foundation hitherto been derived?

Answer. The foundation has received from Mr. John D. Rockefeller gifts of securities of the aggregate market value at the time of the gifts of \$100,000,000. It has also received securities aggregating \$48,000 from Laura S. (Mrs. John D.) Rockefeller, in trust, for certain specific purposes within the corporate purposes of the board.

Question 9. From what sources are the future funds of the foundation expected to be received?

Answer. The foundation has no expectation with regard to future funds, but under the terms of its charter it can receive gifts from any source.

Question 10. In the divisions of the foundation which have already been in operation (e. g., General Education Board), how, by whom, and for what periods have appropriations been made? (a) Are such appropriations made as a lump sum to be used at the will of the directors or responsible head, or is there an appropriation for each specific line of work?

Answer. This question is evidently based upon a misunderstanding. As stated above, the Rockefeller Foundation is not composed of organizations which previously existed. The General Education Board is an entirely independent corporation, with funds of its own. In the case of the International Health Commission lump sums have been from time to time appropriated for the use of the commission, to be expended in accordance with appropriations duly made by the commission or its executive committee.

Question 11. By whom and in what manner are the estimates for necessary appropriations made?

Answer. The major part of the work of the foundation consists in making contributions to other agencies carrying on various philanthropic activities. Applications are made by these agencies, and appropriations are made by the board or the executive committee on the report and recommendation of the secretary or any other officer or member of the foundation. In cases where estimates are necessary they are made by the persons recommending or presenting the matters.

Question 12. After an appropriation for any particular purpose has been made, to what restrictions or review is its expenditure subject, other than the ordinary business and legal procedure to insure honesty in its control?

Answer. The appropriations are in general made in the form of pledges to particular institutions for definite amounts, and when once made each pledge becomes a contract which is not subject to review by the foundation. The expenditure of other appropriations is subject to the ordinary business and legal procedure.

AGREEMENTS AND CONTRACTS.

Question 13. What agreements or understanding, verbal or written, exist between the foundation and Mr. King, regarding the scope of the work which is to be done under his direction, and the method of investigation which is to be pursued? (a) By whom was the arrangement with Mr. King made?

Answer. Mr. King was appointed pursuant to a resolution adopted at the meeting of the executive committee of the Rockefeller Foundation held August 13, 1914, of which the following is a copy:

"Resolved, That William Lyon Mackenzie King be, and he is hereby, appointed to make a comprehensive study of the problem of industrial relations at a salary of \$—— a year from October 1, 1914."

"It was, on motion, further

"Resolved, That the secretary be authorized to approve all bills for necessary traveling expenses and all other expenses incurred by Mr. King in the pursuance of his work under the direction of the executive committee. The secretary presented a recommendation from Mr. King for the employment of Robert F. Foerster, Ph. D., to prepare a catalogue of individuals and organizations, and a bibliography concerning the general subject of industrial relations.

"Whereupon it was, on motion,

"Resolved, That Dr. Foerster be appointed to perform the service above described, the same to be completed on or about October 1, 1914, for a total compensation of \$——.

"It was also further

"Resolved, That Dr. Foerster be authorized to employ as his assistant Mr. L. C. Staples, at a salary of \$—— a month, and to employ such further clerical assistance and incur such further expense incident to the preparation of the proposed catalogue and bibliography as should meet the approval of Mr. King."

The amounts of salaries have been omitted as being information of a confidential nature not material to this inquiry.

The action at this meeting had been preceded by conferences and correspondence between Mr. King and members of the executive committee of the foundation, principally the president and secretary, Messrs. John D. Rockefeller, jr., and Jerome D. Greene. In brief, Mr. King was invited to conduct "an investigation of the great problem of industrial relations, with a special view to the discovery of some mutual relationship of labor and capital which would afford to labor the protection it needs against oppression and exploitation, while at the same time promoting its efficiency as an instrument of economic production." Mr. King was also invited to outline a method of work and organization for the proposed investigation which would enable him to make the largest possible contribution to the solution of the problem. The wish of the foundation was expressed as follows:

"It is our desire that the scope should be as broad and comprehensive as possible, for only as a result of such an intensive investigation can we hope to be in a position to make helpful suggestions looking toward the improvement in industrial relations."

There is no formal written contract between the foundation and Mr. King, other than the resolution appointing him. There are no verbal agreements or understandings.

Question 14. Is there any provision in the agreement or understanding to assure Mr. King's ability to go on with his plans, even if his policy should be divergent from that of the directors?

Answer. This and several subsequent questions appear to be based upon an entire misconception of the spirit and purpose of the investigation which Mr. King has been retained to direct. Having in mind that hardly any relation in life is more far reaching than the industrial relation, and particularly having in view the growing tendency to misunderstanding and lack of harmony between employers and employees, resulting in great injury to both as well as to the general public, the foundation has felt that no subject could be



more worthy of study, and that if it could work out sound and substantial improvements in the relation of capital and labor it could hardly do anything better calculated "to promote the well-being of mankind," for which purpose the foundation was created. In no sense will the inquiry be local or restricted, or carried on with particular reference to any existing situation, or to conditions in any one country. The experience of the several countries of the world will be drawn upon. Mr. King has been selected as a person whose broad sympathies and wide experience peculiarly qualify him to assist the foundation in this endeavor. As indicated in the statement of the foundation at the time the investigation of industrial relations was announced, the work in spirit and method will be akin to that of the Rockefeller Institute for Medical Research. In so far as Mr. King's inquiries have to do with industrial controversies, his attitude will be that of a physician who investigates the nature and causes of the pathological conditions with which he has to deal, with a view, if possible, to the discovery of effective remedies. It can not be too clearly understood that the purpose of this inquiry is not to apportion blame in present or past misunderstandings, nor to justify any particular point of view; the sole purpose is to be constructively helpful. The final and only test of the work will be the degree to which the constructive suggestions growing out of the investigation actually improve the relations between capital and labor. In a work conceived and undertaken in such a spirit, any question of divergent policies or of partiality in the investigation can have no place. Mr. King has from the outset indicated to the foundation his desire to avoid any form of organization which may cause it even to appear that his work is intended to rival or encroach upon the work of existing organizations, and in particular the work properly assignable to Government departments and agencies. It is his intention from time to time to retain experts and seek expert advice in different fields included within the scope of his study, and to employ such clerical assistance as may be necessary. In view of Mr. King's experience, the conduct of the work will be left in his hands, subject merely to such conference with the officers of the foundation as may be desirable, and to a general control by the foundation of the extent of the expenditure.

Question 15. Upon what conditions can the agreement with Mr. King be terminated?

Answer. At Mr. King's expressed wish, the period of his relationship to the foundation was limited to one year, beginning October 1, 1914, with the hope and expectation expressed by the foundation that his connection with it might continue thereafter indefinitely.

Question 16. What person, board, or committee controls the field, scope, and method of investigation?

Answer. Mr. King, as director.

Question 17. Has the foundation or its subsidiary and affiliated organizations refused at any time to continue appropriations for any piece of work or for any investigation which had been agreed upon?

Answer. No.

#### PURPOSE AND PLAN.

Question 18. What were the fundamental reasons and purposes which led to the consolidation and incorporation of the various Rockefeller benefactions?

Answer. There has been no consolidation of the various Rockefeller benefactions.

Question 19. Please outline briefly the work which is now being carried on by the subsidiary departments or organizations which make up the foundation, and indicate, as far as possible, their general plans.

Answer. As previously stated, the major part of the work of the foundation consists in contributions to other agencies carrying on various philanthropic activities. The work and plans of the International Health Commission and of the industrial relations investigation are described in answer to previous questions. The former is now carrying on work in the British West Indies, Central America, Egypt, Ceylon, the Malay States, and the Philippines.

Question 20. What were the facts, reasons, and considerations which led to the establishment of the industrial relations division of the foundation?

Answer. For several years past Mr. John D. Rockefeller and his advisers have had under consideration the establishment of an organization for social and economic research. Upon the establishment of the Rockefeller Foundation one of the first matters which it considered was the possibility of the

organization of such an institution, and a committee of leading economists and business men was created to consider whether such an organization could wisely and profitably be established. This is referred to in the testimony of Mr. John D. Rockefeller, jr., given April 6, 1914, before the subcommittee of the Committee on Mines and Mining of the House of Representatives. (See p. 2892 of their printed testimony.) While the general subject of economic research was under consideration, the industrial disturbance in Colorado impressed the president of the foundation with the great need and public importance of finding an effective means of preventing such conflicts, and caused him to urge a far-reaching study of industrial relations as the most important immediate inquiry to which the foundation could direct attention. In view of the passion aroused in Colorado and the many divergent interests involved there, it was felt that the foundation itself should not interfere in that situation, but that it was of the utmost consequence that the root causes of that and similar disturbances should be ascertained, and, if possible, removed, not only in Colorado but elsewhere. The Rockefeller Foundation is, moreover, a large owner of corporate securities, and in that capacity is itself directly concerned in maintaining harmonious relations between the companies in which it is interested and their employees. It was, therefore, felt that if the foundation could work out, on a basis compatible with sound economics, a substantial improvement in the relations between capital and labor, it would not only discharge its obligation as indirectly a large employer of labor but would also perform, for the general public, a greater social service than it could render along usual philanthropic lines. Realizing that the success of such an endeavor would depend almost entirely upon the character and experience of the person conducting the work, it examined the field to see whether a suitable person could be found. In this connection its attention was directed to Mr. King, and the officers determined that, in view of his broad experience and high character, if his services could be secured, they would recommend that the foundation undertake a study of this subject.

Question 21. If the industrial relations division was authorized by resolution, please furnish a copy of the resolution. If not, please state by whom, at what time, and under what circumstances its establishment was suggested and provided for.

Answer. A copy of the resolution is set forth in answer to question No. 13.

Question 22. Please outline, as far as possible, the questions in the field of industrial relations to which the investigations of the foundation may be directed.

Answer. This has been left to Mr. King to decide.

Question 23. What results does the foundation expect to secure from its industrial relations division?

Answer. As already stated in answer to questions Nos. 14 and 20, it is hoped that by a careful study of world experience there may be disclosed methods of adjusting industrial relations which, if applied, will prove of permanent value.

Question 24. Will the work of the industrial relations division be limited to investigation?

Answer. Being solely concerned with the accomplishment of the practical aim of this undertaking, namely, to improve the relations between capital and labor, the foundation has purposely avoided assigning any definite limits either to the method of procedure or to the scope of the work.

Question 25. If not, what means other than the publication of its investigations are likely to be used to make effective the findings of the investigations?

Answer. Answered by the answer to the preceding question.

Question 26. In what form and to what authority will the annual reports of the foundation be made?

Answer. The statute of New York does not require the publication or filing with any public authority of annual reports. The foundation has already decided, however, to publish annual reports of its activities.

Question 27. To whose supervision or approval will the reports of the investigations be subject prior to publication?

Answer. To the foundation or the executive committee.

Question 28. In what way will the impartiality of the foundations investigations and reports be assured?

Answer. This is covered by the answers to questions Nos. 14 and 20.

Question 29. When will the plans of Mr. King be ready?



Answer. It is not expected that plans of a formal or conventional kind will be prepared, but rather that Mr. King will proceed along such lines as may from time to time appear to offer greatest promise of practical results.

THE ROCKEFELLER FOUNDATION,  
JOHN D. ROCKEFELLER, Jr., *President*.  
\_\_\_\_\_, *Secretary*.

DECEMBER 4, 1914.

# SCHEDULE A.

[Chapter 488.]

## AN ACT To incorporate the Rockefeller Foundation.

[Became a law May 14, 1913, with the approval of the governor. Passed, three-fifths being present.]

*The people of the State of New York, represented in senate and assembly, do enact as follows:*

SECTION 1. John D. Rockefeller, John D. Rockefeller, junior, Frederick T. Gates, Harry Pratt Judson, Simon Flexner, Starr J. Murphy, Jerome D. Greene, Wickliffe Rose, and Charles O. Heydt, together with such persons as they may associate with themselves, and their successors, are hereby constituted a body corporate by the name of The Rockefeller Foundation, for the purpose of receiving and maintaining a fund or funds and applying the income and principal thereof to promote the well-being of mankind throughout the world. It shall be within the purposes of said corporation to use as means to that end research, publication, the establishment and maintenance of charitable, benevolent, religious, missionary, and public-educational activities, agencies, and institutions, and the aid of any such activities, agencies, and institutions already established and any other means and agencies which from time to time shall seem expedient to its members or trustees.

2. The corporation hereby formed shall have power to take and hold by bequest, devise, gift, purchase, or lease, either absolutely or in trust for any of its purposes any property, real or personal, without limitation as to amount or value, except such limitation, if any, as the legislature shall hereafter specifically impose; to convey such property and to invest and reinvest any principal and deal with and expend the income and principal of the corporation in such manner as in the judgment of the trustees will best promote its objects. It shall have all the power and be subject to all the restrictions which now pertain by law to membership corporations created by special law so far as the same are applicable thereto and are not inconsistent with the provisions of this act. The persons named in the first section of this act, or a majority of them, shall hold a meeting and organize the corporation and adopt a constitution and by-laws not inconsistent with the constitution and laws of this State. The constitution shall prescribe the manner of selection of members, the number of members who shall constitute a quorum for the transaction of business at meetings of the corporation, the number of trustees by whom the business and affairs of the corporation shall be managed, the qualifications, powers, and the manner of selection of the trustees and officers of the corporation, the manner of amending the constitution and by-laws of the corporation, and any other provisions for the management and disposition of the property and regulation of the affairs of the corporation which may be deemed expedient.

3. No officer, member, or employee of this corporation shall receive or be lawfully entitled to receive any pecuniary profit from the operations thereof except reasonable compensation for services in effecting one or more of its purposes, or as a proper beneficiary of its strictly charitable purposes.

4. This act shall take effect immediately.

STATE OF NEW YORK,

*Office of the secretary of state, ss:*

I have compared the preceding with the original law on file in this office, and do hereby certify that the same is a correct transcript therefrom, and of the whole of said original law.

Given under my hand and seal of office of the secretary of state, at the city of Albany, this 21st day of May, in the year one thousand nine hundred and thirteen.

[L. S.]

JOSE G. RIDGEON,  
*Second Deputy Secretary of State.*

## SCHEDULE B.

## CONSTITUTION OF THE ROCKEFELLER FOUNDATION.

ARTICLE I.—*Members.*

The members of the corporation shall consist of the persons named in the first section of the act to incorporate the Rockefeller Foundation, being chapter 488 of the Laws of 1913 of the State of New York, viz. John D. Rockefeller, John D. Rockefeller, jr., Frederick T. Gates, Harry Pratt Judson, Simon Flexner, Starr J. Murphy, Jerome D. Greene, Wickliffe Rose, and Charles O. Heydt, together with such persons as they may associate with themselves, and their successors.

New members, whether as successors to those named in the act of incorporation or otherwise, and such additional members as they or their successors shall see fit to associate with them, shall be elected by ballot, either at the annual meeting of the corporation or at a special meeting duly called for that purpose, by vote of a majority of the members of the corporation attending such meeting.

Any member may withdraw from the corporation by a notice in writing to the president or secretary. The members shall be at all times divided into three classes, equal numerically, as nearly as may be, and the original members shall at their first meeting, or as soon thereafter as may be convenient, be divided into three classes, the members of the first class to hold their membership and office until the first annual meeting, the members of the second class until the second annual meeting, and the members of the third class until the third annual meeting, and in every case the member shall hold office after the expiration of his term until his successor shall be chosen. At each annual meeting the successors to those members whose term of office then expires shall be chosen for the term of three years and until their successors shall be chosen. In case any member shall, by death, resignation, incapacity to act, or otherwise, cease to be a member during his term, his successor shall be chosen to serve for the remainder of his term and until his successor shall be chosen. If and when the number of members shall be less than nine, the members remaining shall have power to add, and shall add to their number, until the number shall be not less than nine, but no act of the corporation shall be void because at the time such act shall be done the members of the corporation shall be less than nine.

All the powers of the corporation shall be exercised by its members, and they may, by general resolution, subject to the provisions of this constitution and the by-laws to be adopted, delegate to other officers or to committees of their own number such powers as they see fit, in addition to the powers specified in this constitution and in such by-laws.

ARTICLE II.—*Quorum.*

A majority of the members of the corporation shall constitute a quorum for the transaction of business at meetings of the corporation.

ARTICLE III.—*Trustees.*

The number of trustees by whom the business and affairs of the corporation shall be managed shall be the same as the number of members, and all of the members of the corporation shall be its trustees, and the election of any person as a member of the corporation shall constitute him a trustee.

ARTICLE IV.—*Officers.*

The officers of the corporation shall consist of a president, secretary, and treasurer, together with such other officers as may be determined by the by-laws. These officers shall have the duties and exercise the powers assigned to them by this constitution or by the by-laws, or by resolutions adopted pursuant to the authority of this constitution or the by-laws. At each annual meeting of the corporation or, in default of election at such meeting, then at an adjournment thereof, or at any meeting duly called for that purpose, the corporation shall elect by ballot a president, secretary, and treasurer, and it may choose such other officers as the by-laws shall from time to time provide. All the officers, whether elected or appointed, shall hold office at the pleasure of the corporation, but in no case beyond the time when their respective successors shall be elected and accept office.



ARTICLE V.—*President.*

The president shall sustain an executive and advisory relation to the work and policies of the corporation similar to that usually sustained by the chairman or president of commercial bodies. He shall preside at all meetings of the corporation at which he shall be present. He shall appoint all committees unless otherwise ordered by the corporation. In his absence the members of the corporation present shall appoint one of their own number to preside. The president, ex-officio, shall be a member of all committees, except as herein otherwise provided. He shall sign for the corporation all deeds and other agreements and formal instruments.

In the absence or disability of the president he may, by written instrument, appoint a member of the corporation to discharge such of his functions as he may assign to such appointees.

ARTICLE VI.—*Treasurer.*

The treasurer, subject to such regulations as may from time to time be prescribed by the corporation, shall have the custody of the funds and securities of the corporation, including all bonds, deeds, and other papers and documents relating to such property, and shall also have the disbursement of its money. He shall keep proper books of account and other books, showing at all times the amount of funds belonging to the corporation, which shall be at all times open to the inspection of the members of the corporation. At each meeting he shall present an account showing in detail the receipts of the property belonging to the corporation and of all disbursements thereof since his last report. He shall not pay any money except in the manner prescribed in the by-laws, or as provided by resolution of the members of the corporation, or the authority of the executive committee.

ARTICLE VII.—*Secretary.*

The secretary shall conduct the correspondence of the corporation, except as otherwise provided in the by-laws or by resolution of the corporation. He shall be the medium of communication with the corporation. He shall be ex-officio a member of all committees, except as herein otherwise provided.

He shall give notice of and attend all meetings of the corporation, taking minutes of the proceedings and transcribing them in a book provided for that purpose, and attesting the same. Immediately upon the election and appointment of members he shall give notice to them of their election or appointment. He shall have the custody of the corporate seal. He shall keep the records of all committees of which he is a member.

ARTICLE VIII.—*Meetings.*

The annual meeting of the corporation shall be held on the Wednesday next preceding the fourth Thursday of January in each year. At this meeting the trustees of the corporation shall present a report, verified by the president and treasurer, or by a majority of the trustees, showing the whole amount of real and personal property owned by the corporation, where located, and where and how invested; the amount and nature of the property acquired during the year immediately preceding the date of the report, and the manner of the acquisition; the amount applied, appropriated, or expended during the year immediately preceding such date, and the purposes, objects, or persons to and for which such applications, appropriations, or expenditures have been made, and the names and places of residence of the persons who have been admitted to membership in the corporation during such year, which report shall be filed with the records of the corporation and an abstract thereof entered in the minutes of the proceedings of the annual meeting.

In addition to the annual meeting stated meetings of the corporation shall be held on the Wednesday next preceding the fourth Thursday of May and October in each year.

All meetings shall be held at such time and place in the city of New York, or elsewhere, as the corporation shall from time to time order or direct. In the absence of such direction the meetings shall be held at the office of the corporation in the city of New York.

The president or any three members of the corporation may call a special meeting of the corporation by not less than five days' written notice given by the president or the secretary or the members calling such meeting.

If any member of the corporation, other than Mr. John D. Rockefeller, shall be absent from three consecutive stated meetings, such absence, inexcused, shall ipso facto be deemed a resignation of membership of the corporation, and the vacancy so caused shall be filled as herein provided. Any member of the corporation may by writing or telegram appoint any other member of the corporation to act as his proxy at any one or more specified meetings of the corporation.

#### ARTICLE IX.—*Committees.*

The corporation may by by-laws provide for such committees and may delegate to such committees such powers as it shall deem wise.

#### ARTICLE X.—*Amendments.*

This constitution may be altered or amended by a majority vote of the members present at any duly called meeting of the corporation, provided that written notice has been sent to every member of the corporation at least 10 days in advance of the date of meeting, stating specifically the proposed

#### SCHEDULE C.

##### BY-LAWS OF THE ROCKEFELLER FOUNDATION.

#### ARTICLE I.

There shall be a standing committee of three members of the corporation who, with the president and secretary, shall be the executive committee. The executive committee shall be elected by the corporation at the annual meeting by ballot. The executive committee may fill vacancies in its own number or in the finance committee in the interim of the corporation meetings, reporting its action to the corporation at the next meeting.

This committee shall have and may exercise all the powers of the corporation when the corporation is not in session, except those specifically vested in the finance committee as herein provided. A quorum for the transaction of business shall consist of three members. The committee shall elect its chairman and shall make such rules and regulations as, from time to time, it may deem proper for its own government and for the transaction of business of which it may have charge, which are not herewith otherwise provided for. It shall direct and control the purchase of all supplies and the audit of all bills.

#### ARTICLE II.

There shall be a finance committee consisting of three members of the corporation, to be elected by the corporation at the annual meeting by ballot. The president and secretary shall not be ex-officio members of this committee. This committee shall have power to make investments and to change the same, and may from time to time sell any part of the bonds, shares, notes, or other forms of investment held by the corporation, or any rights or privileges that may accrue thereon. In making investments or changes of investments all the members of this committee shall be consulted when this is reasonably practicable, but the committee shall be deemed to be in continuous session, and may act without formal notice of meeting, and the joint action of any two members shall be valid and binding. The committee shall elect its chairman and shall make such rules and regulations as from time to time it may deem proper for its own government and for the transaction of business of which it may have charge. It shall keep regular minutes of its meetings and shall make report to the members of the corporation of all investments and changes of investments made by it.

#### ARTICLE III.

There shall be a nominating committee consisting of three members of the corporation, to be elected by the corporation each year at the October meeting by ballot. The president and the secretary shall not be ex-officio members of this committee. It shall be the duty of this committee to make recommendations



regarding members, officers, and elective committees who are to be elected at the annual meeting next ensuing, and also regarding members or officers to be chosen to fill vacancies which may occur during the year.

#### ARTICLE IV.

The corporation at any stated meeting, or at any special meeting called for that purpose, or when the corporation is not in session the executive committee, may by resolution appoint one or more assistant treasurers, one or more assistant secretaries, a cashier, and such other officers as may be deemed necessary. The same person may be appointed to hold two or more of said offices. All such officers shall hold office at the pleasure of the corporation, but in no case beyond the time when their respective successors shall be elected and accept office, and shall have such powers and be subject to such restrictions as shall be set forth in the resolution appointing them.

#### ARTICLE V.

The treasurer shall deposit the funds of the corporation in such banks or trust companies as may from time to time be designated by the executive committee. Such deposits of funds shall be made subject to draft only on the signatures of two persons, one of whom shall be the president, the secretary, or some member of the corporation designated by the president or secretary, and of the treasurer, and the other shall be the treasurer, or in case of his absence or disability, such member of the corporation as shall from time to time be designated by resolution of the corporation or of the executive committee.

No bills shall be paid except those which have been incurred pursuant to a resolution of the corporation or under the authority of the executive committee, and such bills shall be paid only on a voucher approving the same for payment and referring to the specific resolution or authorization pursuant to which they were respectively incurred, which voucher shall be signed by the president and the secretary or such of the assistant secretaries as shall be designated by resolution of the corporation or the executive committee, or, in the case of the absence or disability of either the president or secretary, by such other member of the corporation as such absentee shall designate in writing for that purpose.

A current expense account of not to exceed \$5,000 on deposit at any one time may be opened with such depository as may be designated by the executive committee, which shall be subject to draft upon the signature of the cashier of the corporation, who shall be bonded at the expense of the corporation for such sum as the executive committee shall fix.

The securities of the corporation shall be deposited in some suitable safe deposit vault. Access to the vault may be had by the members of the corporation, the treasurer, the assistant treasurer and such of the assistant secretaries as shall be designated for that purpose by resolution of the corporation or the executive committee, provided that there shall always be two of the foregoing present. Such securities may be withdrawn from the vault only on a written order directing the delivery of the same to the person or persons therein specified, which order shall be signed by two members of the finance committee or by one member of the finance committee and one other member of the corporation.

#### ARTICLE VI.

The president, treasurer, or secretary is hereby authorized and directed, upon the written request of any two members of the finance committee, to execute under seal such form of transfer and assignment as may be customary or necessary to constitute a regular transfer for the delivery of such securities as and to whomsoever may be designated in such request.

Either the president or the treasurer may execute and deliver on behalf of the corporation from time to time proxies on any and all stock owned by the corporation, appointing such person or persons as they shall deem proper to represent and vote the stock owned by the corporation at any and all meetings of stockholders, whether general or special, with full power of substitution, and to alter and rescind such appointments at such time and as often as they see fit.

ARTICLE VII.—Notices.

All notices required by these by-laws, or otherwise, for the purpose of the corporation, shall be in writing and shall be either personally delivered or mailed to the members of the corporation at their addresses as entered in the office of the secretary of the corporation.

ARTICLE VIII.

No part of the principal of the funds of the foundation shall be except pursuant to a resolution passed by the affirmative vote of two-thirds of all those who shall at the time be members of the foundation at a special meeting held on not less than thirty days notice given in writing to each member of the foundation which shall state that the meeting is called for the purpose of considering a resolution to authorize the distribution of the whole or some part of the principal of its funds.

ARTICLE IX.—Amendments.

These articles may be altered or amended by a majority vote of the members present at any duly called meeting of the corporation, provided that written notice has been sent to every member of the corporation at least 10 days in advance of the date of meeting, stating specifically the proposed amendment.

SCHEDULE D.

*The Rockefeller Foundation.*

BONDS AND NOTES.

Name.	Number of bonds.	Book value.
American Agricultural Chemical first mortgage convertible.....	500	\$505,000.00
Ashland Power Co.....	8	8,900.00
Atlanta & Birmingham Ry. first mortgage.....	677	609,300.00
Baltimore & Ohio R. R. first mortgage.....	6	5,460.00
Canadian Pacific Ry. first mortgage debenture.....	1	2,550.00
Central Pacific 30 year, guaranteed by Southern Pacific.....	2	1,780.00
Chicago & Alton R. R. refunding.....	551	358,150.00
Chicago & Alton Ry. Co. first mortgage lien.....	854	452,620.00
Chicago City & Connecting Rys. collateral traction.....	1,305	1,109,250.00
Chicago, Burlington & Quincy general mortgage.....	1,000	935,000.00
Chicago & Eastern Illinois R. R. refunding and improvement.....	300	189,000.00
Chicago, Milwaukee & St. Paul general mortgage, Series A.....	30	29,100.00
Chicago, Milwaukee & St. Paul general mortgage, Series C.....	500	515,000.00
Chicago, Milwaukee & St. Paul debenture mortgage.....	600	546,375.00
Chicago & North Western Ry. extension.....	50	47,500.00
Chicago & North Western Ry. sinking fund debenture.....	80	81,600.00
Chicago Railways Co. first mortgage.....	500	455,000.00
Cleveland, Cincinnati, Chicago & St. Louis, St. Louis division, collateral traction.....	73	65,700.00
Cleveland, Cincinnati, Chicago & St. Louis general mortgage.....	700	587,250.00
Cleveland Short Line first mortgage guaranteed L. S. & M. S.....	500	475,000.00
Colorado Industrial Co. convertible.....	2,000	1,800,000.00
Denver & Rio Grande R. R. first consolidated.....	6	5,100.00
Errie R. R. convertible, Series B.....	1,065	798,750.00
Euclid Heights Realty Co. bonds (Cleveland trust receipt showing \$456 per bond paid).....	716	390,664.00
Illinois Central R. R. refunding.....	300	261,000.00
Interborough Rapid Transit first.....	1,090	960,000.00
International Mercantile Marine mortgage and collateral trust, gold.....	3,692	2,030,600.00
International Navigation Co. first sinking fund.....	1,305	978,750.00
Lake Erie & Western R. R. second mortgage.....	100	100,000.00
Lake Shore & Michigan Southern Ry. first mortgage.....	926	805,620.00
Lake Shore & Michigan Southern Ry. debenture.....	762	701,040.00
Do.....	2,673	2,430,100.00
Long Island R. R. refunding.....	2	1,800.00
Louisville & Nashville R. R. unified.....	6	5,580.00
Magnolia Petroleum Co. first.....	3,200	3,200,000.00
Missouri, Kansas & Texas Ry. general sinking fund.....	1,325	1,113,000.00
Missouri Pacific Ry. 40 year collateral.....	2,198	1,318,800.00
Morris & Essex first mortgage and refunding.....	175	144,812.50
Mutual Fuel Gas Co. first mortgage.....	250	250,000.00
New York Central lines equipment trust of 1913, gold.....	504	499,158.00
New York City corporate stock.....	100	94,500.00
New York City corporate stock notes.....	14	14,000.00
New York City 2 year revenue bonds.....	67	67,000.00



## SCHEDULE D—Continued.

*The Rockefeller Foundation—Continued.*

## BONDS AND NOTES—Continued.

Name.	Number of bonds.	Book value.
New York City 3 year revenue bonds.....	94	\$94,000.00
New York, Chicago & St. Louis first mortgage.....	35	33,250.00
New York, Chicago & St. Louis R. R. debenture.....	1,303	1,133,610.00
New York Connecting R. R. first mortgage.....	250	233,453.65
Norfolk & Western R. R. first consolidated mortgage.....	6	5,005.00
Northern Pacific Ry. refunding and improvement.....	390	357,150.00
Northern Pacific Ry. prior lien railway and land grant.....	6	5,115.00
Ohio Fuel Supply Co. debenture.....	52	51,925.00
Pennsylvania R. R. consolidated.....	1	11,880.00
Pere Marquette R. R. consolidated.....	520	327,600.00
Philadelphia Co. convertible debenture.....	1,000	970,000.00
Philadelphia (o. gold convertible.....	500	475,000.00
Pittsburgh, Cincinnati, Chicago & St. Louis Ry. convertible, Series D.....	56	54,220.00
Pittsburgh, Cincinnati, Chicago & St. Louis Ry. convertible, Series I.....	500	515,000.00
Rutland R. R. first consolidated.....	25	22,500.00
St. Louis & San Francisco R. R. refunding.....	2,000	1,520,000.00
St. Louis & San Francisco, New Orleans, Texas & Mexico first.....	450	270,000.00
Seaboard Air Line adjustment.....	455	350,350.00
Southern Pacific Branch Ry. first.....	100	117,140.20
Sunday Creek Co. collateral trust.....	81	63,180.00
Wabash R. R. second mortgage.....	117	114,660.00
Wabash R. R., Detroit & Ohio extension first.....	3	3,180.00
Wabash R. R., Omaha division first.....	45	29,250.00
Washington Railway & Electric consolidated mortgage, gold.....	450	375,750.00
Western Maryland first.....	1,032	814,158.76
Western Pacific Ry. first.....	4,039	2,786,910.00
Wheeling & Lake Erie R. R., Lake Erie division, first.....	140	140,000.00
Wheeling & Lake Erie R. R. first consolidated.....	434	347,200.00
		36,029,557.11

## STOCKS.

Name.	Number of shares.	Book value.
American Shipbuilding Co. preferred.....	9,457	\$803,845.00
American Shipbuilding Co. common.....	14,972	524,020.00
Atchison, Topeka & Santa Fe common.....	20,000	2,009,908.33
Borne-Scrymser Co.....	350	103,250.00
Buckeye Pipe Line Co. (par \$50).....	49,693	7,950,880.00
Central National Bank of Cleveland.....	500	79,611.10
Chehalis & Pacific Land Co.....	220	10,000.00
Chesebrough Manufacturing Co.....	690	462,300.00
Chicago City & Connecting Ry. preferred participation certificate.....	17,530	1,212,856.88
Chicago City & Connecting Ry. common participation certificate.....	10,518	315,540.00
H. B. Claffin Co. common.....	451	35,774.92
Cleveland Arcade Co.....	2,500	246,555.56
Cleveland Steel Co.....	2,121	212,100.00
Cleveland Trust Co.....	286	68,123.77
Colonial Oil Co.....	619	61,900.00
Colorado & Southern Ry. Co. first preferred.....	7,000	378,000.00
Consolidated Gas Co.....	20,000	2,600,000.00
Continental Oil Co.....	7,000	1,330,000.00
Wm. Cramp & Sons Ship & Engine Building Co.....	648	9,720.00
Crescent Pipe Line Co. (par \$50).....	14,120	847,200.00
Cuban-American Sugar Co. preferred.....	600	53,265.00
Cumberland Pipe Line Co.....	2,481	178,632.00
Erie Railroad Co. first preferred.....	36,700	1,688,200.00
Eureka Pipe Line Co.....	12,357	4,464,995.59
Galena Signal Oil Co. preferred.....	4,193	587,024.13
Galena Signal Oil Co. common.....	20,842	3,950,976.12
Great Lakes Towing Co. common.....	1,200	14,400.00
Great Lakes Towing Co. preferred.....	1,527	135,500.05
Great Northern Ry. preferred.....	500	33,025.00
Indiana Pipe Line Co. (par \$50).....	24,845	3,108,385.28
International Agricultural Corporation preferred.....	11,345	340,350.00
International Agricultural Corporation common.....	12,575	62,875.00
International Mercantile Marine Co. preferred.....	5,832	64,152.00
International Mercantile Marine Co. common.....	16,603	49,809.00
International Paper Co. common.....	400	3,200.00
H. H. Kohlsaat Co.....	1,900	95,000.00
Manhattan Railway Co.....	10,000	1,287,750.00
Missouri Pacific Ry. Co.....	2,000	52,000.00

SCHEDULE D—Continued.

*The Rockefeller Foundation—Continued.*

STOCKS—Continued.

Name.	Number of shares.	Book value.
National Lead Co. preferred.....	1,400	\$145,600.00
National Lead Co. common.....	73,500	3,675,000.00
New York, Chicago & St. Louis common.....	100	5,500.00
New York, Chicago & St. Louis second preferred.....	400	31,480.00
National Transit Co. (par \$25).....	126,481	5,185,721.00
New York Transit Co.....	12,392	3,717,600.00
Northern Pacific Ry. Co.....	1,000	91,762.50
Northern Pipe Line Co.....	9,000	990,000.00
Ohio Fuel Supply Co. (par \$25).....	4,154	170,314.00
Otis Steel Co. preferred.....	140	12,600.00
Otis Steel Co. common.....	329	6,580.00
Pope Manufacturing Co. common.....	354	1,416.00
Pope Manufacturing Co. preferred.....	280	4,200.00
Pressed Steel Car Co. preferred.....	500	44,875.00
Provident Loan certificates (par \$5,000).....	40	200,000.00
St. Louis & San Francisco R. R. second preferred.....	6,000	42,000.00
Seaboard Air Line Ry. preferred.....	4,300	232,200.00
Seaboard Air Line Ry. common.....	3,400	71,400.00
Solar Refining Co.....	4,964	918,375.00
Southern Pipe Line Co.....	24,845	5,703,308.88
Standard Oil Co., Kansas.....	4,966	1,365,733.13
Standard Oil Co., Kentucky.....	7,434	1,044,547.23
Standard Oil Co., Nebraska.....	2,482	670,140.00
Standard Oil Co., Ohio.....	8,696	3,652,320.00
South West Penn Pipe Lines.....	8,000	1,280,000.00
Superior Savings & Trust Co.....	300	89,350.00
Swan & Finch Co.....	903	180,600.00
Tilden Iron Mining Co.....	1,780	48,683.46
Union Tank Line Co.....	21,105	1,687,350.00
U. S. Cast Iron Pipe & Foundry Co. preferred.....	4,987	221,644.22
U. S. Cast Iron Pipe & Foundry Co. common.....	8,100	81,000.00
U. S. Rubber Co. first preferred.....	300	30,369.40
U. S. Steel Corporation common.....	200	13,000.00
Washington Oil Co.....	1,774	53,220.00
Wilson Realty Co.....	591	59,100.00
Woman Hotel Co.....	300	24,000.00
Woman Hotel Co. (dividend scrip \$750).....	\$750	600.00
		103,241,271.66

Original capital of the foundation.....	\$100,000,000.00	
Net profits on securities sold and redeemed.....	819,738.77	
Unexpended income.....	2,921,537.89	
Cash on hand Dec. 1, 1914.....		\$103,241,271.66
		689,545.53
Total funds of the foundation Dec. 1, 1914.....		103,930,817.19

INFORMATION FURNISHED BY THE ROCKEFELLER FOUNDATION IN RESPONSE TO SUPPLEMENTARY QUESTIONNAIRE SUBMITTED BY THE UNITED STATES COMMISSION ON INDUSTRIAL RELATIONS UNDER DATE OF JANUARY 7, 1915.

Question 1. (a) Where were the present treasurer and assistant treasurer employed at the time of election of officers of the foundation? (b) Do they give full-time service to the foundation? If not, what portion of their time is given to the foundation?

Answer. (a) The present treasurer, L. G. Myers, was formerly office manager in the private office of George Foster Peabody, the treasurer of the General Education Board, and Mr. Myers acted as assistant treasurer of that board. Upon the retirement of Mr. Peabody, Mr. Myers succeeded him as treasurer of the General Education Board and was afterwards appointed the treasurer of the Rockefeller Institute for Medical Research and the Rockefeller Sanitary Commission for the Eradication of Hookworm Disease, in which positions he was serving at the time of his appointment to the treasurership of the Rockefeller Foundation. The present assistant treasurer, L. M. Dashiell, was at the time of his appointment cashier and office manager in the office of Messrs. Simmons & Slade, bankers and brokers, 5 Nassau Street, New York City. (b) Mr. Myers is now treasurer and Mr. Dashiell assistant treasurer of the General Education Board, the Rockefeller Institute and the Rockefeller Foundation.



Their salaries are allocated to the respective boards on the basis of the proportion which the income of each board bears to the total income of the three boards.

Question 2. (a) Has the foundation a complete file of the publications issued by the International Health Commission and its predecessor, the sanitary commission, including publicity matter furnished to newspapers, departments of health, departments of education, etc.? If so, is this matter in form that it may be sent to the Industrial Relations Commission? (b) May it be consulted at the foundation's office?

Answer. (a and b) The foundation has complete files of the publications issued by the Rockefeller Sanitary Commission for the Eradication of Hookworm Disease, and of the few publications of the International Health Commission, and these are available for consultation at the office of the Rockefeller Foundation. No other publicity matter has been issued by either commission, though much effective publicity has been given to the work of each by State, county, and local authorities.

Question 3. What studies has the International Health Commission made of industrial diseases or of sanitary conditions of different industries?

Answer. The International Health Commission, since its organization, has confined its activities almost entirely to the eradication of hookworm disease in different parts of the world. It must be mentioned, however, that the reports of the sanitary commission whose work in the Southern States has now been taken over by the International Health Commission show that the ravages of hookworm disease have a most important effect upon the economic efficiency of infected persons.

Question 4. Who are the members of the foundation's finance committee?

Answer. John D. Rockefeller, jr., Starr J. Murphy, and Jerome D. Greene.

Question 5. (a) Regarding applications from various philanthropic agencies for contributions by the foundation, is it possible to state briefly the foundation's procedure in considering such applications? e. g. (1) What applications come to the attention of the executive committee? (2) What applications come to the attention of the full board? (3) What officer or employee of the foundation has authority to reject an application without submitting it to the executive committee or to the full board? (b) What is the nature of the record which explains the grounds on which applications are thought not deserving consideration, or, after being considered, are rejected?

Answer. (a) The answer to this question will be clearer if preceded by a general statement of the foundation's attitude in what must still be called, after a little more than a year of work, the initial stage of its activities. From the outset the members of the foundation, having in mind its chartered purpose "to promote the well-being of mankind throughout the world," were agreed that the foundation could probably render a more enduring service if, instead of making contributions to a large number of miscellaneous objects, its funds were primarily devoted to promoting the study of some of the more fundamental human needs, with a view to achieving results that might not be so well accomplished by agencies more limited in scope. The members of the foundation have felt that a departure from this general policy would be amply justified by the utilization of a part of the funds of the foundation to assist in meeting emergencies where the urgency of the need appeared to render such aid imperative. The Belgian relief necessitated by the European war is a case in point. The following activities upon which the foundation has embarked will illustrate how this general principle is being applied: The organization of the International Health Commission for a world-wide campaign against hookworm disease; the promotion of medical education and public health in China, a work upon which the foundation is now entering; the investigation of industrial relations, a field of study so vast as to require in all probability years of study. During the first year of its existence the foundation has responded favorably to a limited number of applications, affirmative action upon which seemed likely not only to meet a real need, but also to provide experiences which it was believed would prove illuminating and of assistance to the foundation in determining future policies; e. g., a pledge of \$10,000 a year for 10 years to the American Academy in Rome; a pledge of \$20,000 a year for 10 years to the New York Association for Improving the Condition of the Poor, for widows' pensions; the purchase of a large tract of land in Louisiana as a reservation for wild fowl at a cost of about \$225,000. (1 and 2) Meetings of the full board of the foundation are generally devoted to discussion and determination of important matters of general policy; action is also taken on

such recommendations as are presented. Between meetings of the board applications are acted upon by the executive committee in accordance with the policies of the board. (3) Applications are usually made through the president or the secretary of the foundation. In the majority of instances, it is possible for either officer to tell whether or not the proposition comes within the scope of the foundation's policies and he acts accordingly. It is the duty of the secretary to study the data submitted with applications, to secure additional data if necessary, to prepare recommendations and to submit them for formal action. Matters are sometimes acted upon at meetings of the executive committee at which only a quorum are present. In such cases the matters have usually been presented to and approved by members not expecting to be present. (b) There is no formal record explaining the grounds on which applications are thought not deserving of consideration.

Question 6. Is it possible to tell from the foundation's records how many applications have been received since the establishment of the foundation in the interest of different proposals for studying or improving labor conditions?

Answer. The records show but one such application.

Question 7. About how many conferences had members of the foundation had with Mr. King before the resolution of August 13 appointing him to make a comprehensive study of industrial relations?

Answer. Three.

Question 8. Has the outline of the method of work and organization for the proposed investigation mentioned in the answer to our question 13 been submitted? If so, may we have a copy?

Answer. Mr. King has suggested in conversation with members of the foundation the method of work he proposes to adopt, but has not submitted a formal outline or report. Intensive study rather than extensive investigation perhaps best describes the character of Mr. King's work as thus far indicated by him. He is proceeding as a student who is carefully surveying a special field of work, with a view to ascertaining in the first instance how far investigation of the great problem of industrial relations has been already profitably carried out by others and determining as to wherein further investigation may be made to advantage under such auspices and with such resources as the foundation is in a position to provide. When Mr. King was invited to enlist in this work the purpose of the foundation was set forth in the following words in a communication to him:

"The problem is so vast and the difficulties are so largely inherent in human nature that a complete solution is not to be had in five years or in a generation. On the other hand, it might be expected that hard study for a year or two could yield much light on the problem and particularly on the very question whether such studies could be profitably pursued for a longer or an indefinite time under such auspices and with such resources as the Rockefeller Foundation could provide."

To facilitate his studies Mr. King's first step was to retain Prof. Foerster, of Harvard University, to prepare a bibliography of the literature on the subject of industrial relations as found in the libraries of Harvard University, also a directory of societies, organizations, and individuals who have carried on or may at the present time be carrying on research work in the field of industrial relations. The author and subject catalogue prepared by Prof. Foerster has over 5,000 different titles, including references to publications in all parts of the world; the directory, which is also in the form of a card catalogue, is confined to America and has between seven and eight hundred references. With the literature of the subject thus indicated before him Mr. King has been engaged upon the preparation of a chart of the field of industrial relations, which when completed he hopes to have opportunity of discussing with informed persons of all classes and many points of view. Having completed a preliminary survey in this way he then proposes to develop the work along such lines as may from time to time appear to offer the greatest promise of practical results.

As regards organization, just as Dr. Foerster was appointed to do a specific piece of work, so Mr. King expects as time goes on occasionally to retain expert advice and assistance, but it is not his intention to attempt the organization of any staff such, for example, as exists in Government bureaus or commissions. With the exception of the appointment of Dr. Foerster and a secretary, Mr. King has not thus far made any request for appointments. He has engaged temporary stenographic assistance as he has required it. The foundation places every confidence in Mr. King's judgment, and no attempt has been or will be



made to influence him in the selection of persons whom he may wish to retain, the questions he may wish to ask, or the course he may wish to follow in pursuing the work he has undertaken for the foundation.

Question 9. (a) Have the catalogue and bibliography which were to be prepared by Dr. Foerster by August 1 been completed? (b) Are they in form for submission to this commission, or to be consulted by it at the foundation's office?

Answer. (a) Yes. (b) They are at Mr. King's residence at the Roxborough, Ottawa, Canada, and should the commission desire to consult them Mr. King will gladly either bring the catalogue and bibliography in whole or in part to New York or place them at the disposal of such officers as the commission may desire to have consult them in Ottawa.

Question 10. (a) Before deciding to engage Mr. King, what study did the foundation make of literature concerning industrial relations? (b) What examination was made of the work then in progress or planned by State and National bureaus and commissions? (c) With whom besides Mr. King did it consult regarding its plan for study?

Answer. (a and b) None. Mr. King's services were enlisted, amongst other reasons, with the very thought in mind that he could make just such preliminary surveys as are here implied. (c) While members of the foundation talked informally with personal friends concerning a suitable person to make a study of industrial relations there were no consultations with anyone other than Mr. King regarding a plan of study.

Question 11. (a) Referring to your answer to our question 14, how many formal interim reports have been made by Mr. King since October 1? (b) What formal reports of progress, if any, have been called for?

Answer. (a) There have been no formal interim reports made by Mr. King. (b) Formal reports of progress have not been called for. These questions are perhaps best answered by the answer to question 8.

Question 12. (a) How large a staff has Mr. King at the present time? (b) Please indicate how many and which are experienced investigators and how many clerical?

Answer. (a and b) These questions, also, are best answered by the answer to question 8.

Question 13. Will you summarize the previous experience of Mr. King in dealing with labor problems, to which at two or three points in your letter, e. g., answer to question 14, you refer?

Answer. A summary of Mr. King's experience in dealing with labor problems is attached to this reply. (Exhibit A.)

Question 14. (a) Were notices sent to all members of the foundation before the meeting of August 13, stating the purpose to consider the engagement of Mr. King for the study of industrial relations? (b) How far in advance of the meeting were such notices sent? (c) How many and which members of the foundation were present at the meeting of August 13?

Answer. (a, b, and c) The meeting of August 13, 1914, was a meeting of the executive committee, notice of which was sent by the secretary to all members on July 30, 1914. No formal statement of the purpose of the meeting was made, but all the members were familiar with the project under consideration. The following members were present: John D. Rockefeller, jr., Simon Flexner, Charles O. Heydt, and Jerome D. Greene, members of the executive committee, and Wickliffe Rose, a member of the foundation, by invitation. These constituted the executive committee, except Starr J. Murphy, who was absent on his summer vacation.

Question 15. (a) What is the foundation's procedure in considering reports of investigators and in examining responsibility for such reports; i. e., is a separate copy sent to each member? (b) Is written confirmation, or suggestion, or criticism invited—received? (c) Are reports submitted to any persons not members of the foundation? (d) Has any procedure been decided upon with reference to the final consideration of Mr. King's report?

Answer. (a, b, and c) During the very short period of the foundation's existence it has not set on foot many investigations such as the question seems to refer to, nor has it adopted any procedure in considering reports. Before undertaking so important a work as medical education in China, the foundation appointed a commission of three persons, who were sent to China and spent about four months in that country. Upon its return the commission took a month for the preparation of a very full and comprehensive report, copies of which were printed and sent to the members of the foundation. In the case of

the hookworm work in foreign countries, the director general, Mr. Wickliffe Rose, was sent around the world to visit the countries where the greatest infection was known to exist. Upon his return he presented written recommendations for the inauguration of work in certain countries, reported orally upon his observations and experiences during the journey, and filed with the secretary his detailed notes in such form as to be available for reference by members of the foundation. In any case where it might seem desirable to get outside expert opinion on a report made to the foundation, such an opinion would undoubtedly be sought, as was the case with the report on medical work in China, which was shown to a number of persons interested in China, whose opinions were considered valuable. In all such cases of reference to competent critics the freest comment is invited, but no form, either written or oral, has been prescribed for the communication of such comment. (d) No procedure has been decided upon with reference to the final consideration of Mr. King's report.

Question 16. (a) Regarding the committee of leading economics and business men, mentioned in your answer to our question 20, may we know the names, when appointed, the number of meetings held, the number of meetings attended by each member, the number and name of investigators, whether interim reports were sent to each committee member, and how long in advance of the meeting at which it was first considered? (b) May we have a copy of any plans that were adopted in advance of the study and of the final report, or interim reports, which had been rendered at the time the industrial disturbances in Colorado caused the president of the foundation to urge the present far-reaching study of industrial relations?

Answer. (a) The question as to the desirability of establishing an institute or bureau for the study of economic questions had been informally discussed among members of the foundation, both before and after its establishment. Personal conferences were also had with the following individuals: Dean Edwin F. Gay, of Harvard University; Prof. J. Laurence Laughlin, of the University of Chicago; Mr. John Koren, president of the American Statistical Association; President Charles W. Eliot, and Prof. Wesley C. Mitchell, of Columbia University. Authority to hold these personal conferences was given by a vote of the foundation of October 22, 1913, directing the secretary "to invite suggestions as to the desirability of establishing an organization for the study of important social and economic questions vitally affecting the welfare of society at the present time." The result of these conferences, all of which were favorable to the establishment of some sort of agency for the scientific investigation of economic subjects, was reported to the executive committee at the meeting of December 20, 1913, and it was understood that further conferences would be held. Acting upon this authority, the following gentlemen were invited to a conference at the office of the foundation on March 18, 1914: Dean Edwin F. Gay, of Harvard University; Prof. J. Laurence Laughlin, of the University of Chicago; Prof. J. B. Clark, of Columbia University; Prof. Henry C. Emery, of Yale University; and Prof. W. C. Mitchell, of Columbia University. Messrs. John D. Rockefeller, jr., Frederick T. Gates, and Jerome D. Greene represented the foundation at this conference. The opinion of the economists present was that there were fields of inquiry on economic subjects, such, for example, as would require the accumulation of a large body of statistics or the extension of research in different parts of the world, which a private agency, adequately supported for as many years as might prove necessary, could undertake advantageously. Acting upon this advice, the executive committee of the foundation, in session immediately after the conference, authorized by resolution the appointment of Messrs. Edwin F. Gay (chairman), J. Laurence Laughlin, Thomas W. Page, Victor Morawetz, and Harry A. Wheeler, as a committee, "to consider further the desirability of establishing an institute for economic research, to make a selection of such problems of economic importance as would in their judgment be advantageously studied through such an agency, to recommend a method of organization, and to present an estimate of the approximate cost of initiating and carrying on the work to be first proposed." This committee reported, under date of August 4, 1914, unanimously recommending that studies be initiated and be carried on for a year in some chosen field, with a view to discovering whether such studies, if continued and adequately maintained, would offer a sufficient prospect of fruitful results to justify the establishment of a more permanent bureau or institute. Four of the committee recommended the subject of prices as lying at the threshold of a great many important economic problems, while the fifth recommended a more limited and concrete problem, such as profit sharing. The committee, having been asked merely for advice as to the desirability of an agency



for research and the best way of demonstrating both the need and the way of meeting it, did not feel called upon, and indeed were not asked, to make any research themselves. Consequently, there was no occasion for the committee to do more than hold two meetings and to confer among themselves by correspondence, in formulating the report which was submitted under date of August 4, 1914. The report came up for consideration at the stated meeting of the Rockefeller Foundation on October 21, 1914. After a discussion in which the advantages of a separate organization for economic research and the possible objections thereto were considered at length, the opinion prevailed that no action should be taken at present, especially in view of the fact that since the question of establishing an institute for economic research had been under consideration, an investigation of industrial relations had been instituted under the direction of Mr. W. L. Mackenzie King. (b) It will be apparent from the answer to part (a) of this question that no written plans or reports had been rendered at the time referred to in part (b) of this question.

Question 17. (a) Regarding your answer to our question 21, when did Mr. King actively begin work? (b) Have questions formulated by Mr. King yet been submitted to the foundation or its executive committee? (c) Does your statement that the question of an outline has been left to Mr. King to decide mean that the foundation does not yet know in outline, or specifically, the questions to be asked by Mr. King?

Answer. (a) October 1, 1914. (b) This is answered by the answer to question 8. (c) This also is best answered by the answer to question 8.

Question 18. (a) What procedure is followed when engaging investigators to assist Mr. King; e. g., does Mr. King employ directly without describing qualifications to the foundation? (b) Have minimum experience qualifications been formulated by the foundation? (c) If there are certain questions asked regarding all who are considered for investigators, may we see copies of questions which call for evidence of special ability to conduct investigations in this field?

Answer. (a) This question is perhaps best answered by referring to the procedure adopted in the appointment of Dr. Foerster. Mr. King made his own selection of the person whom he desired to have prepare the bibliography, and, after estimating the time and assistance required for the work, made his recommendation, with reasons therefor, to the secretary of the executive committee, who submitted Mr. King's recommendation to the committee for approval. (b) No. (c) There are no such questions. These questions are perhaps best answered by the answer to question 8.

Question 19. Will it be possible to secure in time for the hearings, if not in advance, a statement showing how it is planned to draw upon world experience in adjusting industrial relations, and what steps have already been taken to study the experience of other countries?

Answer. As intimated in the answer to question 29 of the first questionnaire and question 8 of this questionnaire, plans of a formal nature have not been prepared by Mr. King who intends to proceed along such lines of inquiry in any part of the world as may from time to time appear to offer the greatest promise of practical results.

Question 20. (a) How many meetings of the foundation have been held since its establishment? (b) How many meetings have been attended by each of its members?

Answer. (a) There have been eight meetings of the foundation and 20 meetings of the executive committee. (b) The attendance of individual members is recorded in Exhibit B.

Question 21. What, if any, members or officers of the foundation receive compensation from the foundation?

Answer. The secretary, the treasurer, and the assistant treasurer.

Question 22. If the annual report is to be ready for the annual meeting of the foundation on the Wednesday preceding the fourth Thursday in January, will it be possible to submit to this commission by January 18, or earlier, a copy of this annual report?

Answer. A draft of the annual report is now being prepared for submission to the annual meeting of the foundation, but is subject to modification by this meeting. Upon its adoption the foundation will be happy to forward a copy to the commission.

Question 23. Who are the nominating committee?

Answer. Harry Pratt Judson, Frederick T. Gates, and Starr J. Murphy.

Question 24. Can you easily place in our hands three copies of the two chapters of Mr. Rockefeller's autobiography which have to do with principles underlying the foundation established by Mr. Rockefeller?

Answer. Three copies of the book referred to are herewith presented to the commission. (Exhibit C.)

Question 25. Regarding the various applications for national and State charters for the Rockefeller Foundation, will you send us: (a) Copies of the various successive applications and amendments? (b) Memoranda explaining the purpose of the proposed foundation, as submitted to the committees of Congress? (c) Such publicity matter as was issued in the interest of the foundation, suggesting the purposes it would serve, methods it would use, etc.?

Answer. The following material, consisting largely of file copies, is open to inspection at the office of the foundation. (a) The various drafts of bills and committee reports in connection with the application of the Rockefeller Foundation for a Federal charter. (b and c) Information and statements given publicly in connection with the application for a Federal charter.

Question 26. Please furnish copies of any bulletin, statements, or notices issued to the press by the foundation.

Answer. A complete list of statements issued to the press is furnished herewith. (Exhibit D.)

#### EXHIBIT A.

##### SUMMARY OF MR. KING'S EXPERIENCE WITH LABOR PROBLEMS.

##### *I. Academic record.*

1895. Honor graduate in political science of the University of Toronto. Study of labor problems begun while an undergraduate.

1896-97. Fellow in political economy, University of Chicago, resident at Hull House Social Settlement. Articles published in the Journal of Political Economy: (1) "Outline of the history of trade-union organization in the United States"; (2) "The International Typographical Union: A study in trade unionism."

1896. Author of series of special articles in Toronto Mail and Empire on the sweating system, the housing of the working classes, the growth of slums, foreign colonies in cities, etc.

1898-1900. Townsend Scholar and Henry Lee memorial fellow in political economy, Harvard University. Labor problems special field of study, as post-graduate student, and for degree of Ph. D.

1897-98. Prepared report for postmaster general of Canada on methods of carrying out Government clothing contracts in Canada and the sweating system. This report became the basis of the fair wages policy subsequently adopted by the Government of Canada.

1898. Report prepared for the Consumers' League of Boston, Mass., for presentation to the legislature, on the condition of working women in shops and stores in Boston and Cambridge, Mass.

1899-1900. Abroad, in Europe, as traveling fellow of Harvard University, studying labor problems. While in London, resident at Passmore Edwards Settlement. Also commissioned by the Canadian Government to report on methods adopted by European Governments in carrying out of Government contracts, with a view to preventing subletting and sweating.

August, 1900. Offered the position of organizing a department of labor as a new department of the Federal Government of Canada, under Sir William Mulock, the postmaster general of Canada.

##### *II. Official record in connection with the department of labor, Canada.*

October, 1900. Appointed deputy minister of labor for Canada, a position corresponding to that of Commissioner of Labor in the United States. This position was held from 1900 to 1908. It was as deputy minister of labor that Mr. King organized the different branches of work now carried on by the Federal department, including its statistical, conciliation, fair wages, library, and



other branches; also prepared, or supervised the preparation of, annual and special reports on labor matters; and acted as Government conciliator in several of the largest industrial disputes arising in Canada during that time; also, while in this position, he drafted much of the legislation on labor matters enacted by the Parliament of Canada.

1900. Appointed editor of the Labor Gazette, a monthly journal issued by the department of labor, corresponding to the Labor Gazette issued by the Board of Trade in England, and somewhat similar to the Bulletin of Labor in the United States. This position held until September, 1908.

1900-1908. Acted successfully as conciliator and mediator representing the Government of Canada in the following strikes:

Year.	Locality.	Province.	Industry and employees involved.
1900	Valleyfield.....	Quebec.....	Cotton mill employees. (Militia called out during strike.)
	Oshawa.....	Ontario.....	Coremakers.
1901	Dundas.....	do.....	Machinists.
	Grand Mere.....	Quebec.....	Pulp company employees.
	Valleyfield.....	do.....	Cotton mill employees.
	Rossland.....	British Columbia.....	Metalliferous miners.
	South Wellington.....	do.....	Coal miners.
	Montreal.....	Quebec.....	Employees of cigar manufactories (10 factories).
	Toronto.....	Ontario.....	Employees of piano makers (5 firms).
1902	Do.....	do.....	Foundry employees in stove mounting trade.
	Berlin.....	do.....	Furniture factory employees.
	Halifax.....	Nova Scotia.....	Employees of 9 steamship companies, longshoremen, and others.
	Port Burwell.....	Ontario.....	Wharf builders.
	Winnipeg.....	Manitoba.....	Railway employees.
	Louisville.....	Quebec.....	Sawmill employees.
1903	Ste. Hyacinthe.....	do.....	Railway employees.
	Fernie.....	British Columbia.....	Coal mining employees.
	Collingwood.....	Ontario.....	Shipbuilding employees.
	Milltown.....	New Brunswick.....	Cotton mill employees.
	Vancouver, British Columbia, and western division of the Canadian Pacific Ry.		Railway employees.
	Valleyfield.....	Quebec.....	Cotton mill employees.
	Hawkesbury.....	Ontario.....	Lumber mill employees.
	Grand Trunk Ry. System.		Maintenance of way employees.
	Calgary.....	Alberta.....	Building trades employees.
	Montreal.....	Quebec.....	Boot and shoe employees.
	Winnipeg.....	Manitoba.....	Building trades employees.
	Sherkston.....	Ontario.....	Lime and stone quarry employees.
1904	Sydney.....	Nova Scotia.....	Employees of iron and steel company. (Militia called out during strike.)
1905	Cornwall.....	Ontario.....	Street railway employees.
	Nanaimo.....	British Columbia.....	Coal mining employees.
	Stratford.....	Ontario.....	Machinists.
1906	Calgary.....	Alberta.....	Building trade employees.
	Do.....	do.....	Leather workers.
	Lethbridge.....	do.....	Coal mining employees.
1907	Toronto.....	Ontario.....	Telephone operators.
	Fernie.....	British Columbia.....	Coal mining employees.

March, 1907. Canadian Parliament enacted the industrial disputes investigation act. This act was drafted by Mr. King and was based, in part, on experience gained in active intervention in above disputes.

March, 1907, to September, 1908. Registrar of boards of conciliation and investigation under the industrial disputes investigation act.

1902-1908. Served on following royal commissions, in capacity indicated: 1902-3—Secretary of royal commission appointed by the Government of Canada to inquire into industrial disputes in the Province of British Columbia. 1907—Chairman of royal commission appointed by the Government of Canada to inquire into condition of telephone operatives. Other commissioner, Mr. Justice Winchester, Toronto. This commission's work resulted in important changes in conditions of labor of telephone operatives. 1907—Appointed royal commissioner by the Government of Canada to inquire into anti-Asiatic riots in Province of British Columbia; also appointed commissioner to assess and pay losses to Japanese residents in British Columbia and to assess and pay losses to Chinese residents in British Columbia arising out of said riots. 1907—Appointed by the Government of Canada royal commissioner to inquire into methods by

which oriental laborers had been induced to come to Canada from India, China, and Japan. 1908—Appointed by the Government of Canada royal commissioner to inquire into conditions of cotton operatives in cotton mills of Province of Quebec. This inquiry resulted in enactment of stricter legislation in Quebec regarding employment of children in factories.

1905–1908. Special inquiries and important missions dealing with conditions affecting labor and resulting in important legislation: 1905—Conducted special investigation into fraudulent practices to induce men to come to Canada from England to take place of others on strike. This investigation resulted in the enactment of legislation drafted by Mr. King respecting false representations to induce or to deter immigration, enacted July 20, 1905. 1905—Special inquiry into methods by which Italian laborers were induced to come to Canada, and fraudulent practices of employment agencies. 1906—Special mission to England as the representative of the Government of Canada to confer with members of the British Government respecting the enactment of legislation by the British Parliament to prevent fraudulent representations being made in Great Britain to induce immigration to Canada. The result of this mission was the enactment of legislation along the lines desired, which appears as part of the merchants' shipping act, 1906 (6 Edw. VII, chap. 48). 1907—Conducted investigation and prepared report for Government of Canada into need for suppression of opium traffic in Canada. Drafted legislation which was subsequently enacted by the Parliament of Canada. 1908—Special mission to England as representative of the Government of Canada to confer with members of the British Government on the subject of immigration to Canada from India and to negotiate an agreement with the British and Indian Governments with respect to the same. An arrangement restricting immigration from India to Canada effected. 1908—Appointed by Government of Great Britain one of the British members of the international opium commission, which met at Shanghai, China. While going to China to serve on this commission Mr. King was intrusted with a further mission by the Government of Canada to the Government of India respecting immigration between that country and Canada; also with a special mission to the Government of China restricting immigration from China to Canada.

1900–1908. During this period Mr. King attended different conventions of Association of Officials of Bureaus of Labor Statistics of America and was for a time one of the vice presidents of this association.

### *III. Parliamentary record.*

September, 1909. Elected a member of the Parliament of Canada.

June, 1909. Department of labor, Canada, created as a separate portfolio in the ministry, and Mr. King appointed a member of the privy council of Canada and minister of labor in the cabinet of Sir Wilfrid Laurier, a position corresponding to that of Secretary of Labor in the United States.

1909. Introduced in the Canadian House of Commons amendments to the industrial-disputes investigation act, shown by experience to be desirable. Amendments enacted by Canadian Parliament.

1909–10. Appointed chairman of special committee of the House of Commons to investigate the eight-hour day. Supported in Parliament on behalf of the Government, as minister of labor, a bill introduced by Mr. Alphonse Verville, president of the Dominion Trades and Labor Congress, respecting the hours of labor on public works; bill passed by House of Commons.

1910. Introduced in Parliament an act to provide for the investigation of combines, trusts, monopolies, mergers. This legislation was drafted by Mr. King and introduced by him in the House of Commons January, 1910; it was enacted May 4, 1910, and has been in force since and is known as the combines-investigation act. Advocated in Parliament and, as minister of labor, secured the appointment of a royal commission on industrial training and technical education, and outlined the scope and work of this commission. Commission was vested with authority to study conditions in the United States, Great Britain, France, Germany, and other countries. Its comprehensive report is a most important contribution to this subject. As minister of labor instituted an inquiry into prices in Canada. Appointed chairman of committee of House of Commons on proportional representation. While minister of labor, personally intervened to settle strike between Grand Trunk Railway Co. and employees. (Mr. Garretson, one of the members of the United States Commission on Industrial Relations, present representing Brotherhood of Railroad Conductors in



negotiations regarding settlement.) Represented Government of Canada at following international conferences in Europe: (1) Conference on technical education, Brussels, Belgium; (2) conference on unemployment, Paris, France; (3) meeting of International Association for Labor Legislation, Lugano, Italy.

1911. Introduced in Parliament a bill to prohibit importation and use of opium and other habit-forming drugs, which measure was enacted by Parliament. Introduced in Parliament a bill to prohibit the manufacture and importation of matches made with white phosphorus. This measure passed the House of Commons, but did not succeed in passing the Senate, owing to dissolution of Parliament at reciprocity election. The same bill, however, was reintroduced by Mr. King's successor, the present minister of labor, at a subsequent session and enacted. This measure followed an important investigation, under Mr. King's direction, into the spread of *Phosphorus necrosis* (phossy jaw) in Canada.

1912. Visited England, on official invitation of British Government through the Rt. Hon. Sydney Buxton, president of the board of trade in British Cabinet, to confer respecting industrial problems and legislation.

## EXHIBIT B.

*The Rockefeller Foundation.*

Date.	Meetings.	J. D. Rockefeller, sr.	F. T. Gates.	H. P. Judson.	W. Rose.	C. W. Elliot.	A. B. Hepburn.	J. D. Rockefeller, jr.	S. Flexner.	S. J. Murphy.	C. O. Heydt.	J. D. Greene.	Present.	Absent.
1913.														
May 22	Board.....	A...	P...	P...	P...			P...	P...	P...	P...	P...	8	1
June 18	Executive.....							P...	P...	P...	P...	P...	5	0
June 27	Board.....	A...	P...	A...	P...			P...	P...	P...	P...	P...	5	4
July 1	Executive.....		P <sup>1</sup>					A...	P...	P...	A...	P...	3	2
Aug. 15	do.....							P...	P...	P...	P...	P...	3	2
Oct. 22	Board.....	A...	P...	A...	A...			P...	P...	P...	P...	P...	6	3
Dec. 2	Executive.....							P...	P...	P...	A...	P...	3	2
Dec. 5	do.....		P <sup>1</sup>					P...	P...	P...	P...	P...	5	3
Dec. 19	do.....		P <sup>1</sup>		P <sup>1</sup>			P...	P...	P...	P...	P...	5	0
1914.														
Jan. 21	Board.....	A...	P...	P...	P...			P...	A...	P...	P...	P...	7	2
Jan. 29	Executive.....							P...	P...	P...	P...	P...	4	1
Feb. 13	do.....		P <sup>1</sup>	P <sup>1</sup>				P...	P...	P...	A...	P...	4	1
Feb. 16	do.....							P...	P...	P...	A...	P...	3	2
Feb. 24	Board.....	A...	P...	A <sup>2</sup>	A...	A...		P...	A <sup>2</sup>	A <sup>2</sup>	P...	P...	4	6
Mar. 18	do.....							P...	A...	A...	P...	P...	3	2
Do.	Executive.....							P...	P...	P...	P...	P...	3	2
Apr. 16	do.....		P <sup>1</sup>					P...	P...	P...	A...	P...	4	1
May 27	Board.....	A...	P...	A...	A...	P...	P...	P...	P...	P...	A...	P...	7	4
July 1	Executive.....							A...	P...	P...	A...	P...	3	2
Aug. 13	do.....				P <sup>1</sup>			P...	P...	P...	P...	P...	4	1
Sept. 25	do.....				P <sup>1</sup>			P...	P...	P...	P...	P...	5	0
Oct. 21	Board.....	A...	P...	P...	P...	P...	P...	P...	P...	P...	P...	P...	10	1
Do.	Executive.....							P...	P...	P...	P...	P...	5	0
Nov. 5	Board.....	A...	P...	P...	P...	P...	P...	P...	P...	P...	P...	P...	10	1
Nov. 30	Executive.....		P <sup>1</sup>					P...	P...	P...	P...	P...	5	0
Dec. 3	do.....							P...	A...	P...	P...	A...	3	2
Dec. 11	do.....							P...	P...	P...	P...	P...	5	0
1915.														
Jan. 4	do.....							P...	A...	P...	A...	P...	3	2
Present.	Board.....	0	8	4	5	3	3	8	5	7	6	8		
Absent.	do.....	8	0	4	3	1	0	0	3	1	2	0		
Present.	Executive.....		16	11	13			18	13	17	11	19		
Absent.	do.....							2	7	3	0	1		

<sup>1</sup> Present by invitation.<sup>2</sup> Represented by proxy.

## EXHIBIT C.

(Exhibit C, book entitled "Random Reminiscences of Men and Events," by John D. Rockefeller, New York, Doubleday, Page & Co., 1909, was submitted in printed form.)

EXHIBIT D.

STATEMENTS ISSUED TO THE PRESS.

[Statement issued by Jerome D. Greene, secretary of the Rockefeller Foundation, Oct. 1, 1914.]

THE ROCKEFELLER FOUNDATION INAUGURATES A FAR-REACHING INVESTIGATION OF INDUSTRIAL RELATIONS AND HAS APPOINTED AS DIRECTOR HON. W. L. MACKENZIE KING, FORMER MINISTER OF LABOR IN CANADA, AUTHOR OF INDUSTRIAL DISPUTES ACT, AND EXPERIENCED MEDIATOR IN LABOR DISPUTES.

The trustees of the Rockefeller Foundation have decided to inaugurate an extensive investigation into the problem of industrial relations and have secured the services of the Hon. W. L. Mackenzie King, C. M. G., former minister of labor for Canada, as director of the investigation.

In spirit and method the investigation of the problem of industrial relations will be like that carried on by the Rockefeller Institute for Medical Research and other inquiries instituted by the Rockefeller boards. All alike are practical in aim and scientific in method. In the institute for medical research the knowledge of the world is being sought by experts and brought to bear upon a limited number of human diseases. Investigation has not been deterred by the circumstances that the diseases dealt with are a part of a common inheritance through generations and that a limited knowledge sometimes pronounces them incurable.

In the anomalies which modern industrial conditions disclose there is plenty of evidence of social disorder. Labor and capital, in their relations to each other, too often suggest the bitter enmities and destructive capacities of opposing and contending forces and too rarely suggest the possibilities of harmonious and united action conforming to the laws of individual and social need. The present inquiry will seek to reveal the causes of the former and the means of promoting the efficient, practical application of the latter.

In facing the problem of industrial relations the Rockefeller Foundation is deliberately attempting to grapple with what it believes to be the most complicated and at the same time the most urgent question of modern times, and it is precisely for this reason that the investigation has been instituted. The foundation is not baffled at the outset by the knowledge that the task hitherto has seemed will-nigh hopeless and that the literature on the subject and the tried experience of the world is so vast as to be overwhelming. These may be reasons for a gradual approach and for counseling patience in the matter of results, but they afford no excuse for inaction. It is hoped that an investigation instituted on the scale and impartially and persistently pursued in the spirit and with the facilities which the foundation affords will gradually win for itself the cooperation not alone of employers and workmen, of industrial organizations, of individuals, and institutions interested in social reform, but also of universities and governments throughout the world.

In no sense will the investigation be local or restricted or carried on with particular reference to any existing situation or, for that matter, with reference to conditions in any one country. The experience of the several countries of the world will be drawn upon. In the words of the charter of the foundation, it is intended for "the well-being of mankind throughout the world," and the means taken to further this end, both as regards the subjects to be investigated and the methods of inquiry, will be in keeping with the high purpose thus expressed.

In going to another country and selecting as the person to have the direction of this most important work, one whose public services have gained for him an outstanding position as a leading authority on industrial problems, the trustees have shown their desire not only to free the foundation from any suspicion of interest or prejudice in the investigation of the most controversial of all problems, but also their readiness to enlist the services of the best men available, no matter where they are to be found. It is no small guaranty of the spirit in which the work of this investigation will be carried on that Mr. Mackenzie King, after years of public service in the handling of labor problems has, by his known impartiality and disinterested purposes, retained the good will, confidence, and respect of employers and representatives of labor alike.

The following outline of his career may serve to illustrate to what a degree Mr. King is specially qualified for the important work he has undertaken. It illustrates wherein he brings to the task the mind of a scientific investigator, the sympathy of the social worker, and the practical experience of a man of affairs.



Mr. Mackenzie King is a graduate in arts and law of the University of Toronto. From 1896 to 1900 he pursued post-graduate studies in the United States, first as fellow in political economy at the University of Chicago and later as fellow at Harvard, from which university he received the degree of master of arts and doctor of philosophy and was awarded a fellowship to travel abroad. Later he was appointed instructor in political economy on the Harvard staff, but resigned this position to organize in Canada a department of labor, as a new department of the Canadian Government. For eight years he held the position of deputy minister of labor for Canada, a position corresponding to that of Commissioner of Labor in the United States. During that time he established and was editor of the Dominion Labor Gazette, was registrar of boards of conciliation and arbitration, and the author of numerous reports on labor problems. As the result of investigations personally conducted by him the sweating system was abolished in Government contracts and a "fair-wages" policy introduced; laws for the protection of labor against false representations leading to the importation of strike breakers and unwarranted immigration, placed on the statutes, the laws respecting the employment of women and children in textile factories modified, conditions of operatives in the telephone exchanges improved, and the opium traffic in Canada abolished. During several years Mr. King acted as a conciliator in strikes in the Dominion, the number exceeding 40 and embracing the most serious disputes in Canada at the time. Experience gained in this way led to the provisions of the industrial disputes investigation act, of which Mr. King is the author, and which has reduced the number of strikes in mines, transportation companies, and public utilities by between 80 and 90 per cent in seven years. In 1908 Mr. King resigned the position of deputy minister of labor and entered Parliament as member for North Waterloo. He was taken into the cabinet of Sir Wilfrid Laurier as minister of labor, the first in Canada to occupy this position as the holder of a separate portfolio in the Government. He remained a member of the Laurier administration until its defeat in September, 1911. As minister of labor he instituted several far-reaching and important investigations, including an inquiry into prices and the cost of living, the appointment of a royal commission on industrial training and technical education, and the enactment of important legislation respecting the control of the opium traffic and the sale of morphine and other habit-forming drugs. He also secured the enactment of the Canadian combines investigation act, of which he is the author, and under which the monopolies, trusts, mergers, and combines in Canada are regulated.

A large part of Mr. King's work has had to do with the important question of oriental immigration. He has served on many royal commissions in this connection, having settled on behalf of the Government of Canada claims on the part of the Japanese and Chinese arising out of losses occasioned by the anti-Asiatic riots in British Columbia some years ago, and having conducted an extensive inquiry into the whole question of immigration from the Orient. He negotiated the agreement between England, India, and Canada regarding immigration from India. His investigations in Canada were supplemented by personal visits to the countries concerned and by direct negotiations with the Governments of India, China, and Japan.

In 1906 Mr. King was made companion of the Order of St. Michael and St. George by the late King Edward VII in recognition of public services. Later he was chosen by the Imperial Government as one of the British delegates to the international opium conference, which met at Shanghai, China, in 1908. In 1910 he was chosen a fellow of the Royal Society of Canada, and in 1911 was made the president of the Ontario Reform Association, which position he still holds. He also organized and is chairman of the Canadian Association for International Conciliation. Having been a cabinet minister in a Canadian administration, Mr. King remains a member of the privy council of Canada for life.

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Mr. King is a graduate of the University of Toronto. He also pursued graduate studies at the University of Chicago and Harvard University, the latter having conferred on him the degrees of master of arts and doctor of philosophy. He was appointed instructor of economics at Harvard, but resigned this position to organize the department of labor in the Canadian Government. For eight years he was deputy minister of labor, during which time he edited the *Dominion Labor Gazette*, was registrar of boards of conciliation and arbitration, and the author of numerous reports on labor problems. He had much to do with the abolition of the sweating system in Government contracts, and with the introduction of the "fair wages" policy. He secured the enactment of laws for the protection of labor against false representations leading to the importation of strike-breakers, and of laws regarding the employment of women and children in textile factories, and the conditions of operatives in telephone exchanges. He was also influential in the abolition of the opium traffic in Canada. During several years he acted as a conciliator in strikes in the Dominion of Canada, the number exceeding 40 and including the most serious disputes at the time. This experience led to the enactment of the industrial disputes investigation act, of which Mr. King was the author, and which reduced the number of strikes in mines, transportation companies, and public utilities nearly 90 per cent in seven years. In 1908 Mr. King resigned the position of deputy minister of labor and entered Parliament, becoming minister of labor in the cabinet of Sir Wilfrid Laurier. As minister of labor he instituted several far-reaching and important investigations, including an inquiry into prices and the cost of living, the appointment of a royal commission on industrial training and technical education, and the enactment of important legislation respecting the control of the opium traffic and the sale of morphine and other habit-forming drugs. He also secured the enactment of the Canadian combines investigation act, of which he is the author, and under which the monopolies, trusts, mergers, and combines in Canada are regulated.

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[Released for publication in morning papers of Sunday, Oct. 4.]

FOR THE PRESERVATION OF BIRD LIFE ON THE NORTH AMERICAN CONTINENT THE ROCKEFELLER FOUNDATION HAS PURCHASED 85,000 ACRES OF LAND ON THE GULF OF MEXICO AND HAS PLACED IT UNDER THE PROTECTION OF THE LOUISIANA CONSERVATION COMMISSION.

NEW YORK, *October 3, 1914.*—For the purpose of establishing another wild-fowl refuge on the northern shore of the Gulf of Mexico the Rockefeller Foundation has purchased the Grand Chenier tract containing 85,000 acres in the parishes of Cameron and Vermilion, La., at a cost of approximately \$225,000. An announcement to this effect was made by the secretary of the foundation to-day, upon the execution of a deed from the Rockefeller Foundation placing the land for an initial term of five years under the protection of the Louisiana Conservation Commission. The commission, on its side, has formally accepted the tract and has undertaken to protect it by game wardens.

This purchase, the arrangements for which have consumed more than a year and a half, if another step in the program to establish throughout the winter feeding and resting grounds of birds, and along their migration routes, suitable preserves where they can be protected at all times of the year and be safe from persecution. It is due to the intelligent and public-spirited activity of Mr. E. A. McIlhenny, of Avery Island, La., who brought the matter to the attention of the Rockefeller Foundation through Mr. Starr J. Murphy, one of its trustees. Mr. McIlhenny has already been distinguished among the defenders of bird life in America by his promotion of bird preserves in different parts of the country.

The Grand Chenier tract is full of shallow ponds, lakes, and bayous, abounding in cover for the protection of birds against storms. It produces an enormous quantity of natural food, sufficient to provide for the vast number of birds from the north which winter along the Gulf coast.

The great tract purchased by the Rockefeller Foundation is an integral part of the "wild life preserve system" for which persons interested in the welfare of birds have been working for years. It is only a few miles from Marsh Island, purchased, upon the recommendation of Mr. McIlhenny, in 1912 by Mrs. Russell Sage for a bird refuge, at a cost of about \$150,000. Marsh Island was for many years the greatest slaughtering ground for ducks in North America.

The Grand Chenier tract and Marsh Island are a part of a preserve of 500 square miles with a frontage of 75 miles on the Gulf coast, which it is proposed to acquire. Included in this preserve will be the 60,000 acres previously dedicated to wild life preservation by Mr. McIlhenny.

The purchase by the Rockefeller Foundation constitutes the greatest gift ever made to the preservation of bird life in America, with the exception of the bequest of David Wilcox to the National Association of Audubon Societies. This bequest amounted to \$332,000. Bird lovers believe it will mark one of the most important steps ever taken for the preservation of migratory fowl, because they expect it to stimulate interest in establishing preserves in other sections of the United States and Canada.

The wild-fowl preserve on the Gulf shore of Louisiana affords winter shelter for myriads of migratory song birds, woodpeckers, and shore birds, all of which are of great service in the north when insects are busy in field, orchard, and garden.

For half a century countless thousands of ducks and geese have been shot there for the markets of New Orleans, St. Louis, Cincinnati, and Chicago. The species most commonly taken were mallards, black duck, teal, and canvasback. Under the new conditions the birds which are preserved each winter on this great tract will spread out every spring in a great fan-shaped flight reaching all the way to Manitoba and spreading out in every direction.

The tract is not far from New Iberia, where it is estimated 50,000 robins are killed for food every winter. It is also near the famous McIlhenny heron rookery at Avery Island, where fully 20,000 egrets and heron breed their young in absolute security. These birds are expected to colonize the other tracts which have been acquired for their use.

NEW YORK, *October 31, 1914.*

Mr. John D. Rockefeller, jr., as president of the Rockefeller Foundation, authorize the following statement:

"It having become clear that one of the most terrible and appealing effects of the war will fall upon the noncombatants—those most innocent of any part in the cause or the conduct of the conflict—the Rockefeller Foundation has

determined to exert itself to the extent, if necessary, of millions of dollars for the relief of noncombatants in the various countries involved.

"This action is taken as a natural step in fulfilling the chartered purposes of the foundation, namely, 'to promote the well-being of mankind throughout the world.'

"I have written the American ambassador in London that 'we foresee the probability that large resources will be very much needed for rehabilitation at a time when the resources now being drawn upon for immediate relief will be perhaps very nearly exhausted. Under the circumstances we feel the need of further advice.'

"In order to obtain expert opinion as to the time, place, and means of rendering aid most effectively, the foundation has arranged to send to Europe within the next few days a commission which shall visit the countries affected and advise us first hand. The chairman of the commission will be Mr. Wickliffe Rose, director general of the International Health Commission, whose successful experience in organizing the campaign against hookworm disease in various parts of the world peculiarly fits him for the task.

"We are also seeking to enlist the cooperation of one or two others, experienced in the administration of relief to those in need.

"The sending of such a mission will not render unnecessary the efforts of other agencies of relief, for the need is widespread and millions of people are suffering. All steps which the Rockefeller Foundation takes will, of course, be absolutely neutral.

"To avoid delay and to provide relief at the earliest possible moment for the suffering people of Belgium, the foundation has chartered the largest neutral ship available in New York Harbor, and purchased a full cargo of supplies to be dispatched immediately.

"This action will but supplement the public spirited efforts of the Belgian relief committee, of which Mr. Robert W. DeForest is chairman. That the necessity is vital and worthy of the heartiest support is indicated by the following cablegrams, which, in reply to inquiries, we have received from Mr. Page, the American ambassador at London:

"Belgians on verge of starvation. I emphatically regard it most opportune to help. I have never known such a case of need. Committee to distribute food consists of prominent Americans here and influential Belgians in Belgium, and American minister and consuls in Belgium, all under my direction. British Government forbids export of food and no food can be bought on continent. Help needed is food and clothing for women and children.

"It will require a million dollars a month for seven or eight months to prevent starvation. In fact, many will starve now before food can reach them. No food can be bought and exported from any country in Europe. Every dollar you choose to give will save or prolong a human life if you give it quickly enough. No other time will come in any land when there can be greater need. Do not send money. Buy six parts wheat, two parts rice, two parts beans, and ship in neutral ships consigned to American consul at Rotterdam. Inform me when you ship and I will arrange all diplomatic requirements for landing, for transit to Belgium, and for distribution in small quantities by the commission of relief, which as a means of reaching all the people have taken over all grocery stores.'

"Immediately upon receiving these messages, the Rockefeller Foundation enlisted the cooperation of the shipping department of the Standard Oil Co. of New York in securing the vessel, and at the same time gladly availed itself of the voluntary services of Mr. Lionel Hageniers, a Belgian, now resident in New York and member of the Belgian relief committee, in purchasing the cargo. The foundation encountered considerable difficulty in finding a capacious vessel, and the pressure upon the market for foodstuffs was such that it was impossible to comply exactly with Ambassador Page's suggestions as to proportions. To fill and dispatch the ship called for an expenditure of about \$275,000.

"On next Tuesday morning, therefore, the *Massapequa*, of the New York & Porto Rico Steamship Co., will sail direct to Rotterdam, Holland, laden with 4,000 tons of supplies, consigned to the American consul. The cargo will consist of 28,500 barrels of flour, 14,000 packets (100 pounds each) of rice, 3,000 bags (200 pounds each) of beans, and 1,000 boxes (100 pounds each) of bacon.

"The British consul has kindly agreed to certify that these supplies are absolutely for the aid of noncombatants and should not be delayed in transit.

"The extraordinary need in Belgium is further indicated by the following cablegram received from Mr. H. C. Hoover, of the American relief committee, in London:



"Have received reports from members of our commission, from the American minister in Brussels, and from local officials that within three weeks the last vestige of foodstuffs in Belgium will have been exhausted and the entire population of over 7,000,000 people will be faced with starvation. The minimum supply of foodstuffs required amounts to about 90,000 tons of cereals per month, together with bacon or lard. The minimum monthly expenditure required is from four to five million dollars, of which some part returnable through sales. It therefore appears that the problem of feeding the people of Belgium transcends other Belgian relief. The one function of Americans in Belgian relief is the purchase and dispatch of food. We have expended every dollar that we have received in the purchase and dispatch of foodstuffs already, and it will take all the funds we can raise here to take care of emergency pending arrival of stuffs from America."

"It is obvious that no philanthropic exertion will be too great to relieve the acute suffering of those victims of the war who are innocent of any participation in it."

NEW YORK, November 8, 1914.

In order that there may be the greatest dispatch in collecting foodstuffs for the relief of the noncombatant people of Belgium, the Rockefeller Foundation, in addition to the measures of relief initiated by itself, has arranged to provide a steamship pier, to charter ships, and to convey free of charge from New York to Belgium such supplies as the public may wish to contribute.

This plan is in cooperation with the Belgium relief committee of New York, of which Mr. Robert W. de Forest is chairman. The purpose is that through the facilities provided by the foundation and the activities of the committee in collecting funds and supplies, various individuals and agencies throughout the country who desire such cooperation may make their assistance most timely and effective.

To this end Mr. Robert W. de Forest and Mr. John D. Rockefeller, jr., on behalf of the foundation and the committee, have joined in an appeal to the public of the United States to give either in money or supplies for Belgium relief.

Arrangements have been made with the Bush Terminal in New York to act as a receiving depot. The Rockefeller Foundation is negotiating to obtain as quickly as possible another large neutral ship. As rapidly as a cargo is collected it will be forwarded direct to Belgium.

The facilities thus provided insure that any contribution in money will be expended solely for supplies, and in no part for organization or distribution charges. Any person who gives either in money or in food can be certain that the whole of his contribution will reach some one in Belgium who needs help.

Following the announcement that the Rockefeller Foundation would send a commission of experts to Europe to advise as to time, place, and means whereby relief can be best provided for needy noncombatants in all the warring countries, that commission has now been constituted as follows: Mr. Wickliffe Rose, chairman, director general of the International Health Commission; Mr. Ernest P. Bicknell, national director of the American Red Cross, whose supplies to Belgium, and as to whether the placing of mines in the North Sea who has had exceptional experience in the conduct of relief after the San Francisco earthquake in 1906, and in other disasters.

In reference to the war relief commission, the plans for sending cargoes of supplies to Belgium, and as to whether the placing of mines in the North Sea would interfere, Ambassador Page, of London, has cabled as follows:

"Hurry Rose. North Sea adds no difficulty or danger. British Navy will convoy your ship. The International Commission for Relief here organized committees in Holland and Belgium under diplomatic arrangements made by Governments of the United States, Spain, Holland, and Belgium, and have secured guaranty of safety from German military authorities, and made a perfect system for distribution by Belgians in every neighborhood in Belgium. This does not call for the sending of money to England. It calls only for food to be sent to starving women and children in Belgium, and this is the only channel."

The war relief commission will sail for Europe on the steamship *Lapland* next Wednesday. They will go direct to Liverpool, and then to Belgium. As rapidly as their recommendations are received the Rockefeller Foundation will take steps to carry them out. The public will be fully advised of the conditions as reported, for the cooperation of all Americans will be required if this vast problem is to be solved.

BELGIAN RELIEF—FOOD SUPPLY.

AN APPEAL TO THE AMERICAN PEOPLE.

The Belgian relief committee in New York appeals to the people of the United States to relieve the distress of the unfortunate people of Belgium whose homes have been devastated by the war, and who are now in desperate need of food. We are advised by the American committee in London that, in order to meet the absolute necessities, food must be imported in very large quantities from America. The Belgian relief committee, with the cooperation of the Rockefeller Foundation, has made the following arrangements:

Chambers of Commerce, boards of trade, trade associations, women's clubs, and other organizations or individuals throughout the United States wishing to make contributions may do so in either of two ways:

1. By sending contributions of money to the Belgian Relief Committee, No. 10 Bridge Street, New York City. Checks should be drawn to the order of Belgian relief committee. All receipts will be acknowledged and credited to the organizations, committees, or individuals from which they come, and the Belgian minister will be kept informed of contributions received. The concentration of money contributions in the hands of the New York committee will avoid competition in the purchase of supplies and the consequent increase in prices.

2. By shipping any of the following articles, charges prepaid, preferably in carload lots: Wheat, flour, rice, coffee (one-fourth chicory), peas, beans, canned goods, and cured or salted meats.

Perishable goods, such as potatoes, apples, or other fresh fruits, can not be accepted.

All shipments should be consigned to the Belgian Relief Committee, Bush Terminal, Brooklyn, N. Y. As shipments will have to stand railroad journey, transfer at New York, and a long sea voyage, they should be shipped in good strong packages. Individual packages should have a tag showing the contents.

The Rockefeller Foundation will bear the expense of ocean transportation of all supplies thus furnished to the European port most accessible to Belgium. As the extent of need and the amount of supplies which will be contributed can not now be predicted with certainty, this offer of the foundation will for the present apply only to shipments received in New York on or before December 31, 1914, but is subject to renewal if circumstances require.

There is no purpose to interfere with the entire freedom of any individual or organization to render aid in his or its own way, but rather to provide efficient transportation and distribution facilities which may be freely utilized by all who may desire to avail themselves of such cooperation.

To save hundreds of thousands of Belgians from starvation it is evident that very large demands will have to be made upon the generosity of the American people. The Belgian relief committee and Rockefeller Foundation having determined to cooperate in sending relief as promptly and efficiently as possible, now join in asking the good people of this country to do their utmost in this extreme emergency.

The arrangements for distribution have been made by the American committee in London, of which Ambassador Page is chairman, and provide for distributing stations in Belgium under the immediate supervision of the American consuls in the afflicted region. Every precaution seems to have been taken to insure the delivery of supplies to needy persons for whom otherwise no provision whatever would be made.

Serious problems will undoubtedly arise as to the organization of relief measures, including the great task of rehabilitation which must follow emergency relief. In order that the aid coming from America may be constantly guided by the most reliable information as to the location and extent of need and the methods of relief, the Rockefeller Foundation is sending a war relief commission to Europe to supply this information from time to time. The public will be kept informed concerning the progress of relief measures so that the extent and manner of its participation may be most wisely determined.

All communications should be addressed to the Belgian Relief Committee, 10 Bridge Street, New York City.

ROBERT W. DE FOREST,

*Chairman Executive Committee, Belgian Relief Committee, New York.*

JOHN D. ROCKEFELLER, JR.,

*President Rockefeller Foundation, New York.*



*Belgian relief committee in New York.*—Emanuel Havenith, Belgian minister to the United States; Pierre Mali, Belgian consul general in New York; Rev. J. F. Stillemans, president; Robert W. de Forest, chairman of executive committee; Lyman Abbott, Armand Batta, James M. Beck, Cornelius N. Bliss, Robert S. Brewster, Henry W. de Forest, Cleveland H. Dodge, Lionel Hage-naers, Thomas H. Hubbard, Rev. O. A. Nys, H. Fairfield Osborn, W. Barclay Parsons, Bernard Raap, John van Rickstal, Thomas Thacher, Frank A. Vanderlip, Alfred T. White.

NEW YORK, December 7, 1914.

Mr. Jerome D. Greene, who for a year or more past has divided his time between acting as a member of Mr. John D. Rockefeller's personal staff and as secretary of the Rockefeller Foundation, has been obliged, on account of the increasing demands of the latter position, to suspend his activities as a member of Mr. Rockefeller's personal staff and will for the present devote his entire time to the executive work of the Rockefeller Foundation.

Mr. Ivy L. Lee, now executive assistant to the president of the Pennsylvania Railroad, has accepted appointment as an additional member of Mr. Rockefeller's staff, the other members of which, besides Mr. Greene, are Messrs. John D. Rockefeller, jr., and Starr J. Murphy.

Mr. Lee is a graduate of Princeton University. After several years' journalistic work he served for three years as general manager in Europe for Messrs. Harris, Winthrop & Co., bankers. He returned two years ago to become associated with the Pennsylvania Railroad.

Mr. John D. Rockefeller, having retired from active business 15 or 20 years ago, his staff, of which Mr. Lee becomes a member, are his immediate advisers in matters both of business and philanthropy, and are his direct representatives in the various corporations in which he is financially interested, and on the large philanthropic boards which he has created.

[Released for publication Monday, Dec. 7, 1914.]

Mr. John D. Rockefeller, jr., as president of the Rockefeller Foundation, authorizes the following statement:

The international interest aroused in the work of the Rockefeller Foundation through its efforts on behalf of Belgian relief has led to innumerable inquiries for details as to its work and purposes. The fact that the Federal Commission on Industrial Relations is contemplating an investigation of the foundation's plan to conduct an inquiry into industrial relations indicates a further interest in the foundation's activities.

Its object being wholly one of public service, the policy of the foundation is to furnish current information with reference to its work, hoping thereby to enlist that confidence and active cooperation on the part of the public which is so necessary to the successful fulfillment of its purposes. It therefore seems fitting at this time to make a brief statement of the more important work so far accomplished and planned, to be followed by the annual report now in preparation, which will contain full details of the foundation's activities and finances.

The foundation has thus far dispatched one shipload of food—4,000 tons—to Belgium, which has already been received and distributed; it is now loading a second ship in New York Harbor which will carry 6,500 tons, and has purchased for delivery at Philadelphia to a third ship 280,000 bushels of wheat. These three shiploads represent an expenditure of about \$1,000,000. It has also sent a commission to Europe to advise as to how and where further relief to noncombatants may be most effectively provided, and is ready to spend millions of dollars, if necessary, in this direction.

Realizing that the war and the industrial depression have created great want at home, the foundation, acting upon requests from various local charitable organizations, has just voted to contribute \$45,000 to assist in the relief of the poor of New York City. Of this amount the Association for Improving the Condition of the Poor will receive \$25,000, the charity organization society, \$10,000; and the Brooklyn Bureau of Charities, \$10,000.

The foundation has established the International Health Commission, the purpose of which is to extend not only in this country but to foreign countries and peoples the work of eradicating the hookworm disease and the establishment of agencies for the promotion of public health and sanitation. The commission is already at work in the British West Indies, Central America, Ceylon, the Malay States, and the Philippines.

Last spring the China Medical Commission was appointed, to study the needs of medical education and health in China, and its important and far-reaching recommendations are now receiving consideration.

Other appropriations of special public significance are as follows: \$2,550,000 to the Rockefeller Institute for Medical Research for addition to land, buildings, and endowment; \$750,000 toward the fund being raised by Wellesley College because of the emergency resulting from its extensive fire loss; \$225,000 for the purchase of a tract of 85,000 acres on the Louisiana coast of the Gulf of Mexico, which has been turned over to the Louisiana Conservation Commission as a refuge for migratory birds, which gather here in winter from all parts of the North American Continent. This was done to prevent the wanton destruction of this wild life, so important to the agricultural interests in keeping down the insect pests which, it is estimated, inflict a loss upon the country of upward of \$400,000,000 a year.

Next in public interest to the Belgian relief work has been the establishment of a department for the investigation of industrial relations, to direct which Mr. Mackenzie King, formerly minister of labor of Canada, has been appointed.

For several years past Mr. John D. Rockefeller and his advisers have had under consideration the establishment of an organization for social and economic research. Upon the establishment of the Rockefeller Foundation, one of the first matters discussed was the advisability of the organization of such an institution, and a committee of leading economists and business men was created to consider whether such an organization could wisely be established.

While the general subject of economic research was under consideration the industrial disturbances in Colorado impressed the president of the foundation with the great need and public importance of finding an effective means of preventing such conflicts and caused him to urge a far-reaching study of industrial relations as the most important immediate inquiry to which the foundation could direct its attention.

In view of the passion aroused in Colorado and many divergent interests involved there, it was felt that the foundation itself should not interfere in that situation, but that it was of the utmost consequence that the root causes of that and similar disturbances should be ascertained and, if possible, removed, not only in Colorado but elsewhere.

The Rockefeller Foundation is, moreover, a large owner of corporate securities, and in that capacity is itself directly concerned in maintaining harmonious relations between the companies in which it is interested and their employees. It was therefore felt that if the foundation could work out on a basis compatible with sound economics a substantial improvement in the relations between capital and labor, it would not only be discharging its obligation as indirectly a large employer of labor, but would also perform for the general public a greater social service than it could render along usual philanthropic lines. It was also felt that there was hardly anything the foundation could do which would more effectively conform to its chartered purposes, namely, "to promote the well-being of mankind."

Realizing that the success of such an endeavor would depend almost entirely upon the character and attainments of the person conducting the work, the foundation felt itself peculiarly fortunate in being able to enlist the co-operation of Mr. Mackenzie King, who had had wide experience in the actual solution of labor problems in Canada.

Mr. King has from the outset indicated to the foundation his desire to avoid any form of organization which may cause it even to appear that his work is intended to rival or encroach upon the work of existing organizations, and in particular the work properly assignable to Government departments and agencies.

In spirit and method the work will be akin to that of the Rockefeller Institute for Medical Research. In so far as Mr. King's inquiries have to do with industrial controversies, his attitude will be that of a physician who investigates the nature and causes of the pathological conditions with which he has to deal, with a view, if possible, to the discovery of effective remedies.

It can not be too clearly understood that the purpose of this inquiry is not to apportion blame in present or past misunderstandings nor to justify any particular point of view; the sole purpose is to be constructively helpful. The final and only test of the work will be the degree to which the constructive suggestions growing out of the investigation actually improve the relations between capital and labor.



The foregoing summarizes the major activities so far undertaken by the foundation. A statement covering completely the finances of the foundation is in preparation and will be made public.

[Released for publication Tuesday, Dec. 8.]

In the general summary of its work and plans given out yesterday the Rockefeller Foundation announced that it was preparing for publication in advance of its annual report a complete statement of its finances.

The funds of the foundation, all of which were contributed by Mr. John D. Rockefeller, consist of securities the market value of which at the time they were donated was \$100,000,000. In making this gift Mr. Rockefeller expressly empowered the directors of the foundation, in their discretion, to utilize either the principal or the income or both for the chartered purposes of the foundation, namely, "to promote the well-being of mankind throughout the world."

The directors of the foundation are Messrs. Charles W. Eliot, president emeritus of Harvard University; Dr. Simon Flexner, scientific director of the Rockefeller Institute; Frederick T. Gates, Jerome D. Greene, A. Barton Hepburn, chairman of the board of directors of the Chase National Bank; Charles O. Heydt, Harry Pratt Judson, president of the University of Chicago; Starr J. Murphy, John D. Rockefeller, John D. Rockefeller, jr., and Wickliffe Rose, director general of the International Health Commission.

The income of the foundation to date has been approximately \$5,500,000; its appropriations approximately \$6,500,000.

The funds which Mr. Rockefeller has given to the foundation are as follows: (For statement of funds referred to see under Schedule D of this exhibit.)

It was for many years the custom of Mr. Rockefeller in dealing with applications or suggestions concerning philanthropic objects to base his decision upon an expert investigation of the merits of each case. As time went on the task of deciding wisely upon an ever-increasing mass of applications, and, what was even more important, of providing the constructive imagination necessary for intelligent philanthropy, became more and more onerous.

For these reasons Mr. Rockefeller felt the need of organizations or groups of counsellors specially fitted to deal with such matters, and which should be independent of the life of any individual. He has accordingly for the past 15 or 20 years delegated his activities in this direction more and more to the various organizations and institutions he has created. The more important of these, each with its separate and independent funds, are: The General Education Board, The Rockefeller Institute for Medical Research, and the Rockefeller Foundation.

JANUARY 1, 1915.

The steamship *Massapequa* was dispatched to Rotterdam by the Rockefeller Foundation yesterday with 3,500 tons of food and clothing for the Belgian war sufferers. This is the second voyage of the *Massapequa*, which was the first of the Belgian relief ships to leave this country.

The foundation has now spent over \$1,000,000 on ships and cargoes for Belgian relief. The *Massapequa* sailed on her first voyage November 2, with a cargo purchased by the foundation. The next ship dispatched was the *Agamemnon*, December 4, with 2,800 tons of food purchased by the Belgian relief committee and the committee of mercy. The *Neches* sailed on December 12, with 5,800 tons of food supplied entirely by the Rockefeller Foundation.

The *Massapequa* yesterday carried a cargo made up of donations received from all over the United States, in response to the joint appeal of the foundation and the Belgian relief committee.

In addition the foundation supplied a cargo of wheat for the steamship *Ferrona*, which was dispatched from Philadelphia December 23, by the commission for relief in Belgium.

The first object of the Rockefeller Foundation in taking up the matter of Belgian relief in October was to start with the least possible delay the stream of food supplies flowing into Belgium from this country. In the extreme emergency that was presented considerations as to the efficiency of the distributing organization in Belgium and as to the possibility of obstacles being confronted in the course of distribution, had to be delayed for later inquiry, but steps were taken to make such inquiry at the earliest possible moment. Accordingly a war relief commission was appointed, consisting of Messrs. Wickliffe Rose, director general of the International Health Commission; Ernest P. Bicknell, national director of the American Red Cross; and Henry James, jr., manager

of the Rockefeller Institute for Medical Research, and this commission sailed for Europe on November 11, 1914. The commission found the London organization of the American commission for relief in Belgium active and efficient. The Rockefeller commission then proceeded to Rotterdam and Belgium and for several weeks studied the extent of the need and inspected the distributing agencies, with the result that they were able to give the highest praise to the joint activities of the American commission, the Belgian relief agencies, and the diplomatic authorities of the several countries concerned. The commission is now giving its consideration to other aspects of war relief in Europe, and a further report is shortly expected.

# ROCKEFELLER, JR., EXHIBIT NO. 2.

## FULL SET OF BOWERS-ROCKEFELLER CORRESPONDENCE.

[A.—Correspondence submitted by John D. Rockefeller, jr., to United States Commission on Industrial Relations, May 14, 1915.]

MAY 13, 1913.

DEAR MR. HEYDT: Yours of the 10th, inclosing a letter of Mr. Frank S. Hoag, of the Pueblo Star-Journal, is at hand.

While I know nothing about the paper referred to as a business proposition, I think it would be undesirable for the Colorado Fuel & Iron Co. to have Mr. Rockefeller interested in a newspaper at this time in a financial or any other way.

The Colorado Fuel & Iron Co. for many years were accused of being the political dictator of southern Colorado, and, in fact, were a mighty power in the entire State. When I came here it was said that the C. F. & I. Co. voted every man and woman in their employ, without any regard to their being naturalized or not, and even their mules, it used to be remarked, were registered, if they were fortunate enough to possess names. Anyhow, a political department was maintained at a heavy expense. I had before me the contributions of the C. F. & I. Co. for the campaign of 1904, amounting to \$80,605, paid out personally by President Hearne. All the vouchers and checks I have examined, personally, all of which were payable to Albert A. Miller, upon which he drew the currency, and, it is said, handed the money over to Mr. Hearne, who paid it out. So far as I can discover, not one particle of good was accomplished for the company, but Mr. Hearne was an aspirant for the position of United States Senator and devoted a vast amount of time and money with this end in view, I have no doubt.

The company became notorious in many sections for their support of the liquor interests. They established saloons everywhere they possibly could. This department was managed by one John Kebler, a brother of the one-time president of the company, who died, about the time I came here, a victim of his own intemperate habits. A sheriff, elected by the votes of the C. F. & I. Co. employees, and who has been kept in office a great many years, established himself, or became a partner, in 16 liquor stores in our coal mines. To clean up the saloons, and with them the gambling hells and houses of prostitution, has been one of the things that Mr. Welborn and I have devoted an enormous amount of time to during the past five years. The decent newspapers everlastingly lampooned the C. F. & I. Co. at every election, and I am forced to say the company merited, from a moral standpoint, every shot that was fired into their camp.

Since I came here not a nickel has been paid to any politician or political party. We have fought the saloons with all the power we possess. We have forbidden any politician from going into our camps, and every subordinate official connected with the company has been forbidden to influence our men to vote for any particular candidate. We have not lobbied in the legislature, but have gone directly to the governor and other able men and have demanded fair treatment.

We have secured, the past winter, a mining law almost entirely written by our own superintendent, E. H. Weitzel, with four other men appointed by the senate committee, including representatives of labor, a capable engineer and two representatives of the operators. It is just and fair to all concerned and meets every requirement of the labor organizations, excepting that there are no special privileges granted to labor unions.

We have now reached the point where we have the respect of the prominent men as well as the common laborers of Colorado, because of our fair treatment



and continual efforts to improve the conditions of mining. Even the old-time bitter political enemies of the company now say they have not one word of criticism to offer against the company from a political standpoint. The newspapers, for the most part, are courteous, and it is not often we see an article upbraiding our company or its employees.

If you should become financially interested in the newspaper referred to, the C. F. & I. Co. would be immediately accused by the other newspapers of Pueblo and of the southern counties of the State as having taken a new tack in the control of politics, and we would be upbraided just the same as if we were backing the paper, because it is well known that the Rockefeller interests are managing the affairs of the C. F. & I. Co. Therefore, I think it would be a very serious matter to the company if you should take any interest in Mr. Hoag's enterprise.

I think I have never written a letter along this line, and I am doing so now for your files.

Yours, very truly,

L. M. BOWERS.

Mr. CHARLES O. HEYDT,  
26 Broadway, New York, N. Y.

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THE PUEBLO STAR-JOURNAL,  
Pueblo, Colo., May 5, 1913.

Mr. JOHN D. ROCKEFELLER, Jr.,  
New York, N. Y.

DEAR SIR: About eight years ago I was engaged to take the management of this newspaper, which I found to be losing from \$6,000 to \$8,000 a year. By hard work I have reversed conditions and the paper is now on a paying basis, and from the position of being the "trailer" in the newspaper field here it has come to be the acknowledged leading newspaper in Colorado outside of Denver.

I would like to buy the Star-Journal in such a manner that I could use its influence to do the right thing under any and all conditions, regardless of financial consequences. In other words, the trouble with most newspapers is that every time they attempt to take a stand for what they are satisfied is right some advertiser steps up and uses his club.

The Star-Journal is now so good, such a much wanted and such a widely read paper in Pueblo, that the largest department store in the city had to come back of its own accord after cutting us out for a month or six weeks, for the reason that one of the department-store owners wanted a franchise across the business section of the city, thus creating four dangerous grade crossings to which the people are opposed, and we stopped it. I mention this to let you know how the people regard this paper, and I want to get the financial burden against it, if I buy it, in such shape that I can use the paper for the purpose of advancing the best interests of the city and State in all matters that come up. We are likely to have another wet and dry fight, and I would like to put the paper in position to do the right thing on this question.

Would you be interested in making an investment of \$75,000 in the shape of first-mortgage bonds at 4 per cent interest, payable semiannually, against this newspaper and its property? It would cost \$100,000 to duplicate the plant and our building, while our franchise, good will, going business, etc., is worth \$50,000. The Pueblo Chieftain sold for \$175,000, with not as good plant as we have, with somewhat of a lost prestige, and I would not trade propositions even with them.

The 4 per cent interest may seem rather low, but the investment is safe, and I want the financial obligations to be as light as possible to make the paper as independent as possible. I can get time on the balance of the money I will have to pay for the stock of the paper. Other information if desired.

Yours, truly,

FRANK A. HOAG.

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ASSOCIATION OF MINISTERS THANK THE STAR-JOURNAL FOR ITS EFFORTS TO  
ENCOURAGE CHURCH ATTENDANCE.

It is the custom of the Star-Journal each Saturday to devote a portion of its first-page space to an article urging the people of Pueblo to observe the Sabbath day for the purpose for which it was set apart.

From every denomination in Pueblo, for this is an undenominational effort on the part of the Star-Journal, evidences have been tendered to show that the efforts of the Journal are not only appreciated, but also that the power of a newspaper for the accomplishment of a lofty and beneficial purpose is practically unlimited. In every place of worship more people are now attending church than before the Star-Journal began the campaign for a larger and more representative church attendance.

The Star-Journal is pleased to exert its influence in this connection, for whatever makes for better citizenship in any community is a guaranty of stronger community foundations, which depend upon the character of the people themselves. Below is an additional unsolicited testimonial from the ministerial association which speaks for itself:

PUEBLO, COLO., April 21, 1913.

STAR-JOURNAL PUBLISHING Co.,  
Pueblo, Colo.

DEAR SIRs: We, the ministers of the Pueblo Ministerial Association, desire to express our appreciation of the splendid work you are doing by editorials and news articles to encourage church attendance in this city. We feel that it is the very best help we could get. Many of the pastors have spoken of your work from the pulpit. It is indeed encouraging to meet with such loyal support.

Most sincerely, yours,

THE PUEBLO MINISTERIAL ASSOCIATION,  
By GEO. N. MENDENHALL, Secretary.

[The Colorado Fuel & Iron Co., Denver, Colo. Executive department. L. M. Bowers, chairman.]

203 MAIN STREET,  
Binghamton, N. Y., September 4, 1913.

DEAR MR. ROCKEFELLER: Reports are about completed for our fiscal year, and we are well pleased with the showing all things considered. Our profits would have exceeded 1912 if wages had not been advanced, costing us about \$260,000 over the former year. The net profit, however, comes with \$50,000 of 1912, the best year in the history of the company. Net for 1912, \$1,701,226.69. Net for 1913, \$1,647,192.10. Adding the extra wages paid and no advance in prices and the comparison makes a new high record. The month of August has been extra dull in all but rails, but July was \$35,063.49 over July, 1912.

There has been a group of labor-union agitators in southern Colorado for more than a month and threatening to call a strike for the purpose of securing a recognition of the Western Federation of Miners, but protests have come from nearly all the State officials from the governor down, together with the protests from the boards of trade and of commercial bodies, so that the matter has quieted down, though their national officials are still in Colorado.

This has kept us all in a state of unrest, so that my vacation has been a season of worry. A disaster of this sort would put us up against a fight that would be serious indeed.

I expect to leave for Denver the 15th.

Yours, very truly,

L. M. BOWERS.

26 BROADWAY,  
New York, September 16, 1913.

MR. L. M. BOWERS,  
Colorado Fuel & Iron Co., Denver, Colo.

DEAR MR. BOWERS: Mr. Ethelbert Stewart, chief statistician of the Bureau of Labor Statistics of the United States Department of Labor, called last week to see Mr. John D. Rockefeller, jr., but was unable to see him, as Mr. Rockefeller had not returned from his vacation. He was told that Mr. Rockefeller was expected yesterday, so he called again yesterday morning. While Mr. Rockefeller has returned to the city, he has not yet been at the office, and, having been informed of Mr. Stewart's call, suggested that I see Mr. Stewart, which I did to-day. He presented credentials from the Secretary of Labor, saying that he had been appointed as mediator in the threatened controversy between the coal miners and the coal operators of Colorado.

Mr. Stewart called pursuant to appointment and said that the coal miners had sent a letter to all of the coal operators in Colorado asking for a conference with a view to establishing union conditions in the mines of Colorado; that they



had received no reply from the operators; and that they then appealed to the Commissioner of Labor to appoint a mediator, and sent him a copy of the letter they had sent to the operators. Mr. Stewart showed me a copy. He said that he had called here with a view to ascertaining whether it would be worth while for him to go to Colorado, as he did not feel like making the trip if it would be entirely fruitless. He also said that he understood that a convention of the miners had been called which was to be held yesterday, and that the operators had been invited to attend that, but had made no reply. He was also informed that the other operators in Colorado had decided to follow the lead of the Colorado Fuel & Iron Co.

I told him that this was a matter that would have to be handled by the executive officers in Colorado; that we here in the East knew nothing about the conditions and would be unwilling to make any suggestions to the executive officers. He replied that he could, of course, understand that the situation would have to be handled by the men in Colorado, but he thought that questions of policy could be determined here. I told him that the situation was so important a factor in determining the question of policy that we could not treat it as a separate matter. He said that he had not communicated with the officers in Colorado. He referred to the situation in 1903 and expressed the opinion that if the policy which then obtained was to be continued there was very little that he could do. I told him I was not familiar with the conditions in 1903, as I was not then connected with the company. He then asked whether you were there in 1903, and I told him that my impression was that you were not. He seemed interested in that statement and said that perhaps might make a difference.

Our interview was very pleasant, and Mr. Stewart does not seem to be at all of the labor-agitator type. He referred to the Calumet & Hecla controversy, which he said was finally settled in Boston, and not in Montana. I repeated the statement that we here would certainly not attempt to interfere in the matter, nor would we be willing to make any suggestion unless, after the matter had been presented to the executive officers in Colorado, they saw fit to refer the matter to us.

I am reporting this to you without any suggestion, merely to advise you of what occurred.

Very truly, yours,

STARR J. MURPHY.

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[The Colorado Fuel & Iron Co., Denver, Colo. Executive department. L. M. Bowers, chairman.]

SEPTEMBER 19, 1913.

DEAR MR. MURPHY: Your favor of the 16th is at hand and has been read by both Mr. Welborn and myself with great satisfaction. You handled the matter raised by Mr. Stewart with exceptional skill, and it leaves us unhandicapped in event there is a strike among the coal miners in southern Colorado. For the information of your office, I will state as briefly as possible the demands of the organizers and agitators of the United Mine Workers of America and our relation at the present time in connection therewith.

We have spent a great deal of time and studied with a good deal of care all the questions in connection with labor unions among miners and men employed by industrial corporations during the past two or three years, anticipating in time having to meet the demands of union labor. We follow the eastern rules of mining as to wages, prices per ton, and the several different features that obtain in the mining industries, both where union and nonunion labor is employed. This applies to our steel works as well as to our mining operations.

We have found it desirable to take up from time to time these questions that were likely to lead to controversy and study them from every angle, and where we could meet them by making certain economic changes without loss we have taken the initiative in their application in this mining district. We have been opposed by some of our competitive operators, whose notions of fairness are, in our opinion, somewhat lopsided, but our position among them was such that we have been able to inaugurate and carry out these changes without serious criticism on the part of these competitors. To-day they are patting us on our backs.

We studied the eight-hour problem, which we knew would come up in the form of bills in the legislature and would be pushed through by agitators on the ground who were backing them, so we anticipated these matters and ex-

perimented with eight-hour labor. For instance, we have a large percentage of employees who work by the day—timbermen, drivers, carmen, men outside, on tipples, etc.—at all of our mines. These men were on hand at 7 o'clock in the morning and stayed throughout the entire day, while the coal miners work by the ton, some coming at 7, some at 8, and some at 9, some working until 1, others until 3, others all day, averaging, however, not more than about seven hours' work per man. Generally speaking, we found that working our mines eight hours saved us in overhead expenses and in other ways enough to offset any loss than might come from an 8 instead of a 9 or 10 hour day in many of our mines. After this had been thoroughly settled in our minds we established an eight-hour day for all coal miners, complying with the union rules in that respect, but operating as nonunion mines.

Another question that we knew would come up in case of agitation was the semimonthly pay. All the mining companies in Colorado paid monthly, and there was great opposition in regard to semimonthly pay on the part of some of our competitive operators. We never had any demand from our miners for a change, with one exception. In a little remote section of the State, where we had a small mine in operation, they spoke to our superintendent, asking if it would be objectionable to us if we could send their money up twice a month, so that their womenfolks could go out of town some distance to trade if they wanted to do so, or possibly take a trip to their home land without the necessity of waiting until the end of the month. No demand was made; it was simply a request on the part of a few miners there. This led us to take up the question, knowing that if we paid at one mine we would have to pay at 20 or 30 mines, and in order to satisfy these people at this place we not only made a semimonthly pay day there, but at all of our mines, very much to the delight of our employees—wholly unsolicited, as you see, but it was done as a matter of policy, anticipating that these questions might arise sooner or later as well as because of our willingness to accommodate our employees, even at some extra cost to us.

Another matter was the weighmen employed at the mines. For several years our company has raised no objection but has requested our miners to select their own weighmen, as is done in eastern mines where union labor is employed. This weighman has to be paid by a small assessment against each miner. Trifling though it is, our men would perhaps employ a weighman for a month, and then becoming satisfied that our own weighman was giving them correct weights, they invariably refused to continue the one selected by them. As our miners shift more or less and new men are coming all the while, about a year ago Mr. Welborn and the writer were discussing these questions, because one or two competitive companies (both of whom tried to interest Mr. Cooper in their bonds) were cheating their miners by false weights, which some newspapers had taken up, and we agreed to post circulars at all our mines stating that we had always encouraged miners to employ their own weighmen, which our old employees were all familiar with, but for the benefit of newcomers we posted the notice to advise them that they were welcome to and urged to select their own weighmen. So far as I know not a single man was selected.

Another question was the accusation that miners were forced to trade at the company stores. In order to settle this we had our storekeepers and all interested say to our employees that they were welcome to trade at our stores or go anywhere they wished, as the money was their own; that we would be glad if they would trade with us, though they were perfectly free to trade where they pleased, and no man's standing would be changed if he saw fit not to trade with us. During the past few months, since the agitators have been in the State, we have had men make a careful canvass of our camps and we have yet to find a single case of dissatisfaction on this account.

The above covers every demand being made now by the agitators, with the exception of recognition of the union and a trumped-up demand of a 10 per cent advance, which is entirely buncombe, as our scales of wages practically conform to those of other bituminous-coal sections, and the average wages of our men are higher than in any other soft-coal mining section we know of. This is included in their demand to fool the public and to inspire our miners to unite with the union.

The main question, and, in fact, the only matter up between the United Mine Workers of America and the Colorado Fuel & Iron Co., is recognition of the union, which we flatly refuse to do, or even meet with these agitators to discuss or take up this question directly or indirectly.



Northern Colorado has had a strike for three and a half years. The companies were handicapped for a year or more, but have whipped the organization and are operating to full capacity without any serious difficulty as nonunion mines. They formerly employed union miners, whose rules became so oppressive that the operators were compelled to rid themselves of union dictation.

I will not undertake to enumerate these objections to union labor here. They are many. One is the quality of the output under union domination, which is inferior. It is impossible to discharge incompetent labor without the matter being brought up for investigation by officials of the union, both in and out of the State, and numerous requirements that practically take away the mines from the control of the owners and operators and place them in the hands of these, in many cases, disreputable agitators, socialists, and anarchists.

In canvassing our numerous mines we find practically all of our miners opposed to a strike or any disturbance in the relations existing between the company and themselves, including possibly 5 or 10 per cent who are inactive members of unions. These labor agitators have caused to be circulated throughout the United States false statements, which Mr. Welborn says are 100 per cent lies. In other words, they claim that all the things above enumerated, which have been put in operation by our company without demands or solicitation, are unobserved in southern Colorado. While they may be able to find a few little operators who are unable to meet all the requirements and who are not doing as well for their miners as we are, they make no distinction and give the impression broadcast that all the coal mines of southern Colorado, including our own, are guilty of violating all of these rules which the unions have been able to secure in many sections of the country. So far as we are concerned, every single word is false. We have the good will of our men, and they are perfectly satisfied. Not more than 10 per cent belong to unions, and these are old miners who have belonged to unions in the Eastern States for many years and retain their membership as a matter of sentiment, rather than of protection.

It is difficult to tell what the outcome of the threatened strike will be, as letters are being sent to our miners demanding that they quit their jobs or it will go hard with them. Fear of the Black Handers, especially among these foreigners, is far from being phantom, but is a real thing. Though we hope to be able to keep a large number of our men, many of those who do go out will, after a few days when they find we are able to protect them, return to their work. The strike is called for the 23d, but it is thought on the part of a good many operators that the officials, anticipating being whipped, will undertake to sneak out if they can secure even an interview with the operators, which so far they have been unable to do, thus boasting before the public that they have secured the principal point, namely, recognition of the union.

This covers practically the whole matter, so far as the Colorado Fuel & Iron Co. is concerned.

In behalf of Mr. Welborn and myself I want to thank you again for the exceptionally able manner in which you discussed this question with Mr. Stewart.

Yours, very truly,

L. M. BOWERS.

STARR J. MURPHY, Esq.,  
26 Broadway, New York, N. Y.

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[The Colorado Fuel & Iron Co., Denver, Colo. Executive department. L. M. Bowers, chairman.]

SEPTEMBER 19, 1913.

DEAR MR. MURPHY: Mr. Welborn has called my attention to a matter I omitted in my first letter to you to-day, which is an important one.

This so-called convention, held on the 15th instant at Trinidad, where the strike was called, was made up principally of union men brought into Trinidad from northern Colorado, where the strike referred to in my former letter has been going on for three and a half years or more, together with paid heelers, and so far as we have been able to learn from our own men in the convention there was none from any of our mines who had been sent there as a representative of the miners. The five or six of our men who were there dropped in as men drop into a political convention, not as delegates, with one or two exceptions. One of these exceptions, for instance, was a man who had secured em-

ployment in one of our mines a short time before, worked a few days, asked for his time, which was given him, amounting to \$11 or thereabouts. Some remark was made to him in regard to the small amount of money he earned, and he stated that that was all right; he didn't calculate to mine much, as he was getting \$5 a day from the labor officials to represent the mine in the convention as a delegate.

What is true in this single case was the practice followed by these agitators in all sections of southern Colorado. In fact, the men attending the convention that called the strike were imported and hired fellows who were self-appointed delegates, pretending to act for the mine, which was absolutely false in every particular.

We mention this to show you to what extremes these men will go in order to carry their point.

Yours, very truly,

L. M. BOWERS.

STARR J. MURPHY, Esq.,

26 Broadway, New York, N. Y.

SEPTEMBER 24, 1913.

DEAR MR. BOWERS: Your letter of September 4, inclosing statement for the fiscal year, was forwarded to me at Seal Harbor and read with much interest. The showing which your company has made this year is very gratifying. We are glad to have the president and vice president of the company know of our appreciation of the work which they have done and in which we know they have been so ably seconded by the loyal organization which they have built up.

I have delayed acknowledging the report, that I might have the opportunity of sending this personal word of appreciation.

Very sincerely,

JOHN D. ROCKEFELLER, Jr.

Mr. L. M. BOWERS,

Colorado Fuel & Iron Co., Denver, Colo.

[The Colorado Fuel & Iron Co., Denver, Colo. L. M. Bowers, vice president and treasurer.]

SEPTEMBER 29, 1913.

DEAR MR. ROCKEFELLER: Mr. Welborn and the writer have read your letter of the 24th, and we appreciate your very kind remarks in regard to our management of the affairs of the C. F. & I. Co.

You have doubtless read that a coal strike has been ordered over the entire coal fields of southern Colorado, including all of the companies engaged in that territory, as well as in northern Colorado and the new coal field of Routt County.

In northern Colorado, where a strike has been on for more than three and a half years, practically no attention has been given to the call of the labor disturbers and the mines are all working full force.

In southern Colorado, where we are so largely interested, from 40 to 60 per cent of the miners have quit work, but it is safe to say that out of an estimate of 8,000 men who are out, 7,000 of them have quit from fear of the Black Hand and similar organizations, who, through letters or face to face, threaten to kill the men, do violence to their wives and daughters, and practice all of the hellish villainy that these creatures possess. One of our marshals, who was one of the best men in our employ, was deliberately shot by Greeks when he undertook to stop them from tearing down a bridge. A bus carrying a few men was held up by 25 or more striking miners and the occupants ordered to leave the camp. These men happened not to be miners, but employes of railroads, which probably saved them from a severe beating up when that fact was discovered.

Hayes, vice president of the United Mine Workers of America, together with representatives here in this State, are the principal mischief makers. They have been able to load some newspapers with their lying statements and are permitted to gather gangs and crowds together in the streets, making speeches that would scarcely be permitted in any European country. Old "Mother" Jones has been on the ground for two weeks, but Saturday, we understand, the governor ordered her to be taken to the State line and ordered not to return. We have not been able to verify this statement this morning.

Mr. Ethelbert Stewart, who called at your office, is in the State and is surrounded by and associated with Hayes, Brake, Lawson, and other men of that



stamp who are at the bottom of this strike. Mr. Stewart spent part of one afternoon with me, going over every point raised by these agitators, and he confessed that the Colorado Fuel & Iron Co. were meeting every requirement of organized labor in any bituminous coal-mining section of this country. He admitted that the earnings of our miners were larger than he had ever known in any other locality, the month of August averaging \$4.15 per day in all our mines to each man who worked. I challenged him to point out wherein we could better our men, or the men could better themselves by joining the union, and he was unable to say a word in reply, except to state that united labor was often able to secure what they would be unable to get unorganized.

We have given particular attention, as stated in my letter to Mr. Murphy, to the well-being of our men, as it has been one of the foremost things that I have always taken up in all of the corporations I have been connected with; and as I told your father in the first interview that we ever had, nearly 20 years ago, I would flatly refuse to be connected with any business enterprise where I would be handicapped in uplifting and benefiting mankind, especially those in our employ. This I told to Mr. Stewart, and suggested that he investigate every corporation with which I have been connected for the last 25 years or more, and see if he could find a place where this has not been one of the matters that has received my most careful consideration. He said he did not question this statement and that he had heard of it before coming here. I said that, in view of this, together with the fact that not more than 5 or 6 per cent of our men were members or unions after all the effort that had been made here for two or three years, we flatly refused to force 8,000 or 10,000 men to join the union and we be the collectors of \$20,000 or \$30,000 a month from our employees' wages and forward this amount to headquarters to be spent by the agitators in stirring up strife and discord and inevitable revolution in this country. He was told that we would work such mines as we could protect and close the others, and that the writer with every official of this company would stand by this declaration until our bones were bleached as white as chalk in these Rocky Mountains. We are right from every standpoint, and in justice to ourselves and our loyal men we shall never recede an inch from the stand we have taken. Several of our mines are working from one-half to two-thirds capacity, and if we can continue undisturbed, we can keep our steel works running and supply our railroad friends with coal to keep them going in good shape until the strike is over.

I will state one instance in connection with our domestic mines located in what we call the Canon City district, where a large percentage of our miners are union men, having come here from Eastern States many years ago. They have retained their membership largely, doubtless, from sentiment, having, I presume, been in trouble in eastern mines, though they may have been in strike troubles in mines in the East, which influenced them somewhat to retain their membership. Ninety-nine per cent of these union miners voluntarily signed a protest against being called out, but their protest was ignored, and, of course, they have gone out, being union men. At several other camps the men signed protests against a strike, stating that they were satisfied, had no complaint whatever to make, and wanted to work.

I have given you the situation up to date.

Yours, very truly,

L. M. BOWERS.

Mr. JOHN D. ROCKEFELLER, Jr.,  
26 Broadway, New York, N. Y.

26 BROADWAY,  
New York, September 29, 1913.

DEAR MR. BOWERS: Your letter of September 19 was duly received and I thank you for your kind expressions with regard to my interview with Mr. Stewart.

We are greatly pleased to hear of the care with which the management has studied the questions in connection with labor unions among miners in the past, and the spirit evidently manifested of trying to anticipate and meet all proper demands.

Very truly, yours,

STARR J. MURPHY.

Mr. L. M. BOWERS,  
The Colorado Fuel & Iron Co., Denver, Colo.

[The Colorado Fuel & Iron Co., Denver, Colo. L. M. Bowers, vice president and treasurer.]

OCTOBER 3, 1913.

DEAR MR. ROCKEFELLER: The strike situation in the coal fields remains about as it has been for the past week. A few more of our miners are returning to work each day, and most of our miners who still remain in the State would be back at work if it were not for fear of assassination or violence. The union officials have run in a large number of sluggers and Black Hand foreigners from West Virginia, who are in the pay of the United Mine Workers of America. These men, together with what striking miners they can control, are camped in the hills as near to the mines as they can get and have several times riddled the coal camps with bullets.

It is estimated that more than 1,000 bullets were fired by these assassins into the Oakview camp of the Oakdale Coal Co., located in Huerfano County. I inclose you a clipping which gives an accurate account of this fusillade, signed by reputable persons who were eyewitnesses to the raid.

At another mine 400 cartridge shells were picked up behind the stone breast-work that these fellows had built on the side of the mountain.

None of these were our mines, as our armed guards so far have been able to protect our miners. We have eight large electric searchlights established, and each sweeps the surrounding country for 5 or 6 miles. This is a mighty fine scheme, as we can discover groups or single individuals without the slightest difficulty moving around within the circuit.

With the exception of a few small operators who have no funds to fight with and who expect to reap a rich harvest from high prices, all of the coal operators are a unit and under no conditions whatever will they submit to the dictation of the United Mine Workers of America. Unfortunately, Secretary of Labor Wilson, appointed by the President, was secretary and one of the big men in the above-named union, and all of his associates in official positions in his department have been officers or were employees of the union, which, to my mind, bespeaks a rough road ahead for our industrial enterprises during the present administration.

This man Stewart, who met Mr. Murphy at your office, has been hobnobbing continually, since coming here, with the most vicious of the labor agitators. One of these men, Hayes, vice president of the United Mine Workers of America, was heard by one of our detectives to say to a group of strikers: "What are you hanging around Trinidad for? Why don't you get out among the mines and give them hell?"

You see, we are not lying upon beds of roses these days. But for the fact that fully 90 per cent of our miners are loyal and have no grievances whatever and want to work, we would be inclined to seal up a large number of our mines and not undertake to work them during this warfare; but we are hoping to be able to control the situation and lessen the fear these men entertain of assassination, so that a large percentage of them will be able to return to their work.

While it is an exceptionally exacting situation for the writer to be placed in, especially at my age, I propose to stay in the fight until we regain our right to manage this great industry for the best interest of all concerned.

Yours, very truly,

L. M. BOWERS.

Mr. JOHN D. ROCKEFELLER, Jr.,  
New York, N. Y.

26 BROADWAY.  
New York, October 6, 1913.

DEAR MR. BOWERS: I have your letter of September 29, with reference to the coal strike in southern Colorado. We know how earnestly desirous you have always been to have the men in your employ work under the best possible conditions and receive every consideration and advantage. We also know that you and Mr. Welborn have spared no pains to provide for the well-being and look out for the interests of the employees of the Colorado Fuel & Iron Co. Your letter simply confirms what we knew to be the case.

You gentlemen can not be more earnest in your desire for the best interests of the employees of your company than we are. We feel that what you have done is right and fair and that the position which you have taken in regard to the



unionizing of the mines is in the interest of the employees of the company. Whatever the outcome may be, we will stand by you to the end.

Very, truly,

JOHN D. ROCKEFELLER, Jr.

Mr. L. M. BOWERS,  
*Colorado Fuel & Iron Co., Denver, Colo.*

26 BROADWAY,  
New York, October 10, 1913.

DEAR MR. BOWERS: I have your letter of October 3 and note with interest the progress of the strike. I realize that these are trying days for the management of the fuel company. Its actions are watched with great interest by this office, and its strong and just position will not lack backing at this end.

Very, truly,

JOHN D. ROCKEFELLER, Jr.

Mr. L. M. BOWERS,  
*Colorado Fuel & Iron Co., Denver, Colo.*

[The Colorado Fuel & Iron Co., Denver, Colo. Executive department. L. M. Bowers, chairman.]

OCTOBER 11, 1913.

DEAR MR. ROCKEFELLER: I am in receipt of your favor of the 6th, and I want to express the appreciation of Mr. Welborn and myself, together with that of several coal operators who have seen your letter, for the stand you have taken in supporting us in fighting this unjust, uncalled-for, and iniquitous strike, called by the officials of what is supposed to be a very important union.

I can say that I have never known such falsehoods and disregard for law and common decency as these men are the perpetrators of in this State. It is now proven beyond any sort of question that Winchester rifles in large numbers and revolvers with large quantities of ammunition are being supplied to the sluggers whom these men have brought in from other States together with the blood-thirsty Greeks who have just returned from the Turkish war.

We also find that Ethelbert Stewart, representing Commissioner of Labor Wilson, has been for years connected with labor unions. He came here under false colors, representing himself as being appointed as mediator, while he has been spending weeks with the labor agitators above referred to and refused to listen to the operators' side unless it was in conference with the union officials, which, of course, the operators flatly refused to consider, with the exception of a two-hour interview with the writer.

When this Government places in the Cabinet men like Commissioner of Labor Wilson, who was for many years secretary of the United Mine Workers of America, which has been one of the unions that permitted more disorder and bloodshed than any class of labor organizations in this country, we are not skating upon thin ice, but we are on top of a volcano. When such men as these, together with the cheap college professors and still cheaper writers in muck-raking magazines, supplemented by a lot of milk-and-water preachers with little or no religion and less common sense, are permitted to assault the business men who have built up the great industries and have done more to make this country what it is than all other agencies combined, it is time that vigorous measures are taken to put a stop to these vicious teachings which are being sown broadcast throughout the country.

I know of no journal or magazine published in this country to-day that is doing the good work that is being done in Leslie's Weekly, and I know of no better expenditure for the common good and for the safety of this country that you could direct than to make it possible for the publisher to distribute a million copies a week of this magazine. I am personally doing all I can when attending directors' meetings of the several companies I am in, and whenever I meet business men, to call attention to Leslie's Weekly.

You know very well that I am not a pessimist of the dyspeptic sort, but I believe—that if the business men do not awaken from their indifference and take aggressive measures on a large scale to right the wrongs that are being inflicted upon the business of this country, we will see a revolution, we will be under military government and our Republic will end where so many others have ended.

Yours, very truly,

L. M. BOWERS.

Mr. JOHN D. ROCKEFELLER, Jr.,  
New York, N. Y.

[The Colorado Fuel & Iron Co., Denver, Colo. Executive department. L. M. Bowers, chairman.]

OCTOBER 21, 1913.

DEAR MR. ROCKEFELLER: At our annual meeting yesterday the matter of having a vice president in New York was taken up. We thought it very desirable that we have an officer there and a lawyer preferred, so we elected Mr. Murphy as vice president and a member of the executive committee. I have written Mr. Murphy that if this is not in accord with your wishes, we can change it at any executive committee meeting.

Our balance sheet is practically completed, and our net earnings would have been the largest in the history of the company by \$200,000 but for the increase in wages paid the employees during the last few months.

With everything running so smoothly and with an excellent outlook for 1914, it is mighty discouraging to have this vicious gang come into our State and not only destroy our profit but eat into that which has heretofore been saved.

There are a few more miners working to-day than at any time since the strike, and if the miners who were forced out on account of fear had the protection of the militia, a large percentage of them would return to work at once.

The large operators are all working in perfect harmony, which is very desirable, and unless all prophesy fails it is only a matter of time when the mines will be in operation generally.

Yours, very truly,

L. M. BOWERS.

Mr. JOHN D. ROCKEFELLER, Jr.,  
New York, N. Y.

NOVEMBER 13, 1913.

DEAR MR. BOWERS: I have received the clippings regarding the strike which you have sent me from time to time. I am interested to keep in touch with the situation and hope the worst is over. We are profoundly distressed that such disorder, suffering, and bloodshed should result from the action of the labor leaders, and feel the sincerest sympathy with the employees of the company, who are forced to suffer, directly and indirectly, thereby.

Very truly,

JOHN D. ROCKEFELLER, Jr.

Mr. L. M. BOWERS.  
Colorado Fuel & Iron Co., Denver, Colo.

[The Colorado Fuel & Iron Co., Denver, Colo. L. M. Bowers, vice president and treasurer.]

NOVEMBER 18, 1913.

DEAR MR. ROCKEFELLER: I have not sent you much published matter in regard to the strike during the last few days, as we have been having a season of comparative quiet in southern Colorado.

You will be interested to know that we have been able to secure the cooperation of all the bankers of the city, who have had three or four interviews with our little cowboy governor, agreeing to back the State and lend it all the funds necessary to maintain the militia and afford ample protection so that our miners could return to work, or give protection to men who are anxious to come up here from Texas, New Mexico, and Kansas, together with some from States farther east. Besides the bankers, the chamber of commerce, the real estate exchange, together with a great many of the best business men, have been urging the Governor to take steps to drive these vicious agitators out of the State. Another mighty power has been rounded up in behalf of the operators by the gathering together of fourteen of the editors of the most important newspapers in Denver, Pueblo, Trinidad, Walsenburg, Colorado Springs, and other of the larger places in the State. They passed resolutions demanding that the governor bring this strike to an end, as they found, upon most careful examination, that the real issue was the demand for recognition of the union, which they told the governor would never be conceded by the operators as 90 per cent of the miners themselves were non-union men, and therefore that issue should be dropped.

Still the governor hobnobs with Hayes, Lawson, McLennan, and the rest of the gang, and either refuses or begs for more time to bring the strike to an end or to amply protect the operators in bringing in outsiders to take the



places of those who have left the State and those engaged in these murderous assaults whom we refuse to take back under any circumstances. Yet we are making a little headway.

There probably has never been such pressure brought to bear upon any governor of this State by the strongest men in it as has been brought to bear upon Gov. Ammons. We have published statements of the earnings of the miners, which the agitators disputed, and the governor expressed great doubt as to its accuracy. In order to force acknowledgment, we requested the bankers to recommend three expert accountants to examine our pay rolls, books, etc., which they did yesterday. The governor appointed these men and they are now in our office checking up and their report will be published.

While we are meeting with enormous losses we are making friends by the thousands in the State by giving to the public all of the data proving our splendid treatment of our men, not only in making it possible for them to earn more money than in any other bituminous coal section of the country, but showing the public what we have been doing in the way of improving the condition of our miners and their families. We have won the cordial support of the leading papers of the State and have won over several men who formerly supported labor unions and the agitators, so we get some comfort and a good deal of satisfaction in having our efforts recognized, covering the past five years, in the upbuilding of our company morally, commercially, and financially, through the reports of the strong men connected with the business organizations, bankers, and others, who have been given all the data and information desired—which has been an eye opener to most of them.

Personally the strain has been very great on Mr. Welborn, who has been the recognized leader among the operators. He has not spared himself day or night, and but for his vigorous make-up, would have been unable to stand up under the weight loaded upon him. I mention this so that you may know how valuable a man he is when placed in the most trying circumstances that any official has ever been called upon to encounter in dealing with labor unions whose leaders in this State can not be regarded as anything less than assassins.

Personally my hope is to be blessed with enough mental and physical strength to be able to stand four square until we win a righteous victory.

Yours, very truly,

L. M. BOWERS.

Mr. JOHN D. ROCKEFELLER, Jr.,  
26 Broadway, New York, N. Y.

NOVEMBER 21, 1913.

Mr. L. M. BOWERS,  
Colorado Fuel & Iron Co., Denver, Colo.

The following is a copy of telegram received to-day and my reply thereto:

"The governor of Colorado has asked me to lend my efforts toward settlement of coal strike there. He says the situation is critical and growing worse hourly. Can you help by using your influence to have representatives of coal companies in Colorado meet representatives of miners with view to finding a mutual basis for settlement? I will be at Albany Hotel, Denver, November 21, remaining indefinitely.

"W. B. WILSON, *Secretary.*"

"Your telegram of November 20 asking that we use our influence to have representatives of coal companies in Colorado meet representatives of miners is at hand. So far as the Colorado Fuel & Iron Co. is concerned the matter is entirely in hands of its executive officers in Colorado. They have always been quite as solicitous for the well-being of the employees as for the interests of the stockholders. The men who have brought about this strike are not representatives of our miners, as only a small percentage of our men are members of unions, and all but an inconsiderable fraction of those who are have protested against the strike. The action of our officers in refusing to meet the strike leaders is quite as much in the interest of our employees as of any other element in the company. Their position meets with our cordial approval, and we shall support them to the end. The failure of our men to remain at work is due simply to their fear of assault and assassination. The governor of Colorado has only to protect the lives of the bona fide miners to bring the strike to a speedy termination."

JOHN D. ROCKEFELLER, Jr.

[The Colorado Fuel & Iron Co., Denver, Colo.]

NOVEMBER 22, 1913.

DEAR MR. ROCKEFELLER: We are in receipt of your telegram of last night, giving telegraphic correspondence between Secretary of Labor Wilson and yourself. Your telegram has been shown to all the members of the executive board, in whose behalf I want to express appreciation for your splendid support and for the reply you made to Secretary Wilson.

Numerous conferences are being held day and night, and it is the opinion of the coal operators generally that the officials representing the United Mine Workers of America are all hunting for a hole, however insignificant, through which they can crawl without disgracing themselves before the membership in their failure to make the coal miners' strike general and cause complete tie-up.

There are fully 50 per cent of the miners working in the State, including both the northern and southern fields, while it is estimated that one-half of the miners, the most of whom were forced to strike, have left the State, which is both an advantage and a disadvantage to the strikers. The disadvantage comes from the reduction in fighting force in event of an outbreak, while it is to their advantage to have the men leave, as it relieves them from the burden of support.

All the hot air in regard to bad conditions and unfairness, so far as the Colorado Fuel & Iron Co. is concerned, has evaporated. The only thing that is demanded now is a conference so that they can claim recognition of their union.

This strike has brought to the front an issue which will secure the attention, and I believe the cooperation, of the business men of the country regardless of political affiliations—to force candidates for office to come out into the open and declare their attitude toward the rights of employers and employees to run an "open shop." We all know that the politicians have been giving organized labor sops for the purpose of securing their votes regardless of the fact that the great mass of laboring men have no connection with labor unions, including the millions of farmers and men enegaged in a variety of other occupations.

Hundreds of men, including many State and some national officials, have become alarmed since the uncalled-for and vicious demand of the union leaders in this State for recognition of the union and suppression of the open shop. It has become a matter of such importance in these last few weeks that it will doubtless be one of the great issues in politics in 1916. I believe there is no man in either Republican or Democratic Parties who would dare to come out in opposition to the open shop. So long as the politicians can ride two horses going in opposite directions at the same time without attracting the attention of the public, they are reasonably safe, but that time is coming to an end, and I believe that in the long run good will come from this unwise action on the part of labor leaders to force fully 90 per cent of these miners out of the open shop and into the union, contrary to their wishes. They have so overreached the bounds of reason and common decency as to attract attention everywhere, and this is what is needed to awaken the men who have the good of the country at heart to oppose and finally defeat unions of every sort from becoming dictators to both employer and employee with the hope that they will eventually control the affairs of the State and Nation.

Yours, very truly,

L. M. BOWERS.

MR. JOHN D. ROCKEFELLER, Jr.,  
New York, N. Y.

NOVEMBER 24, 1913.

DEAR MR. BOWERS: I have just read with the utmost interest your letter to Mr. Gates of November 13; also your letter to President Wilson of November 8. In the latter you have set forth fully and clearly the position of the fuel company. It would seem as though only one conclusion could be drawn therefrom. In the former you tell of the recent history of the strike in a way which brings home to us with fearful clearness the sorrow and horror of it all. You and Mr. Welborn are frequently in our minds, and we have none but words of the highest commendation for the energetic, fair, and firm way in which you have handled this very trying matter. At the same time we have the utmost sym-



pathy for the unfortunate employees of the company, who are suffering so severely, directly and indirectly, as a result of this conflict of labor which has been forced upon them much against their wills. There can be but one outcome, and we only hope it may be speedily attained.

I sent you on Friday night by night letter a copy of Secretary Wilson's telegram to me and my reply. We are with you to the end.

Very truly,

JOHN D. ROCKEFELLER, Jr.

MR. L. M. BOWERS,  
*Colorado Fuel & Iron Co., Denver, Colo.*

[The Colorado Fuel & Iron Co., Denver, Colo. L. M. Bowers, vice president and treasurer.]

NOVEMBER 28, 1913.

DEAR MR. ROCKEFELLER: I am in receipt of your favor of November 24, which has been read to all of our executive officers, and I can scarcely express our appreciation of the support you are giving us.

Secretary of Labor Wilson has been here for some time and suggested to the governor and to the labor leaders here that the operators consent to a conference with our own men, who are old members of the union, to which we agreed, the governor acting as chairman of the meeting. The conference began at 10.30 in the morning and lasted until 1 Wednesday night, the proceedings of which and its outcome is partially given in the clipping inclosed herein. As we have maintained, there are no important differences between the operators and their miners, which the governor admits is true.

Yesterday the labor leaders got after these three miners who notified the governor that they would not approve the conclusions reached by the governor and Secretary of Labor Wilson. So the matter settles down squarely upon the proposition of recognition of the union and the abandonment of the open-shop policy or the strike will continue indefinitely.

You will notice in the clipping that Secretary Wilson suggests an arbitration board, but this seems to me a useless proceeding, for the reason that if the labor leaders refuse to favorably consider Mr. Wilson's recommendation they will refuse to call the strike off if an arbitration board is selected. I see a "nigger in the woodpile" in Secretary Wilson's proposition to have an arbitration board consider two points, one of which is (a) the question of an increase in wages, which if the board granted, however slight it might be, then the labor leaders would declare the country over that they had gained a victory over the operators and forced them to make a concession, which we do not propose to permit in any circumstance.

I can see no particular objection to the formation of an arbitration board as suggested by Secretary Wilson, providing the three miners are nonunion men who have remained in the employ of the coal operators during this strike, but to this I am sure that neither Secretary Wilson nor the labor leaders would consent. What they want is to get on the board three striking miners who are union men, and they would keep up a perpetual controversy on one hundred and one little technicalities, which the labor leaders are notorious for doing wherever union men are employed.

I will inclose herein or forward to you later in the day copies of President Wilson's reply to my letter of November 8 and my answer to all of the points he raised. You will notice in his letter that he dodged all the essentials, excusing himself in a way that men usually take when they have the worst of the argument, and he falls back onto arbitration law and the spirit of the times. My reply to the President indicates our appreciation of compliance with the law, and also states that we are in harmony with the spirit of the times in arbitrating differences between employer and employee if any exist, as well as our desire to satisfy the public through the good offices of unbiased men, as set forth in my third paragraph. I also bring to his attention the importance of the avowed purpose of labor leaders all over the country to force the closing of all open shops, which is really the most important part of my letter.

I have never known the public mind to shift with the rapidity that it has during the past 10 days and since Secretary Wilson's anarchistic address at Seattle. Hundreds of thinking men who have been practically neutral in this coal strike now are outspoken when they see the trend toward the closing of the open shop and domination by labor unions in all industries of this country. Editors and men in high positions in political life are asking us whether or

not we are going to fight this issue to a finish. They have become alarmed as they learn the facts in regard to this coal miners' strike, unquestionably called with the approval of Secretary Wilson, who, together with men high up in labor-union ranks, are making this coal miners' strike a test case, which, if successful, will warrant a national campaign to force the closing of open shops throughout the country during Secretary Wilson's retention in President Wilson's Cabinet. My reference to this matter being a national issue in my letter to President Wilson was to give him a hint that any such attempt on the part of the Department of Labor supporting labor-union leaders in this movement would not be tolerated by the American people.

We are satisfied, all of us, that since the receipt of our letters by President Wilson and your reply to Secretary Wilson's telegram the latter has been prompted to labor for any sort of a compromise, to which we shall never consent.

Yours, very truly,

L. M. BOWERS.

Mr. JOHN D. ROCKEFELLER, Jr.,  
New York, N. Y.

DECEMBER 1, 1913.

DEAR Mr. BOWERS: Mr. Rockefeller asked me to acknowledge on his behalf your letter of November 28 inclosing copies of President Wilson's letter to you of November 18 and your reply of the 25th, together with the newspaper clipping, and to say that he fully approves of the position you have taken in the correspondence with the President and in the handling of the matter in general. We think you and Mr. Welborn are treating the matter in a very wise and firm way.

He asked me to submit for your consideration, merely for what it is worth, a suggestion which I have made to him. The President says: "All that is asked is that you agree to arbitration by an unbiased board. \* \* \* The questions at issue ought to be submitted to some body of men who can make an impartial determination of the case on its merits. If the investigation led to nothing more than a full understanding of both sides of the case by the public the air would be cleared and the basis of settlement would, I venture to predict, become obvious." It seems to me that the President is confusing two entirely different things—one the question of arbitration and the other the question of investigation and making public the facts. I think your position in refusing to submit to arbitration under the conditions is unassailable. I suggest for your consideration whether it might not be a tactical advantage to say that while we refuse to consent to arbitration we are not only willing, but we strongly urge an investigation of all the facts as to the relations between the company and its employees and the circumstances leading up to this strike. Your letter offers to assist the President in making a thorough investigation of the riot and destruction that has been going on, but what I have in mind is whether we can not go further and court an investigation into the whole question. If I understand the facts correctly, I am satisfied that a thorough investigation, made by a body of men of character and ability and fearlessness, would turn public opinion so overwhelmingly in favor of the operators that the strike would have to come to an end. The investigators should not be politicians, but we might suggest that the President appoint any three Federal judges, thus guaranteeing that the investigation would be made by men whose positions were not dependent upon the votes of the labor unions, who were in the habit of investigating facts, and who would be willing to tell the truth and who would dare to tell the truth.

Please understand that this is merely submitted for your consideration, without any attempt whatever to influence your action in the matter if for any reason you deem it wiser not to follow it up.

Very truly, yours,

STARR J. MURPHY.

Mr. L. M. BOWERS,  
The Colorado Fuel & Iron Co., Denver, Colo.

[Telegram.]

DENVER, COLO., December 2, 1913.

JOHN D. ROCKEFELLER, Jr.,  
26 Broadway, New York:

Federal grand jury have indicted practically all officers of United Mine Workers' Union, and a score of strike leaders.

L. M. BOWERS.



[The Colorado Fuel & Iron Co., Denver, Colo. Executive department. L. M. Bowers, chairman.]

DECEMBER 6, 1913.

DEAR MR. MURPHY: Replying to your favor of the 1st. On the surface the President's suggestion looks plausible, but we are too well advised to believe that it would be possible to secure an impartial committee named by him. He knows perfectly well that there was not an atom of difference between the company and the miners, but, on the contrary, entire satisfaction. He has been advised that there has been three impartial committees who have made a fair and thorough investigation, and all reported to the governor that they found no good reasons for calling this strike. He also knows that his representative, the Secretary of Labor, has been here for two or three weeks, but he may not know that when challenged to point out one thing that should be submitted to arbitration he could not do so, except to give these labor leaders the opportunity to "argue" for recognition and to force the shutting of the "open shop." (The last dozen words are mine.)

We know that the President will not ignore the head of the Department of Labor, but will let his Secretary of Labor name the committee, if such an agreement was entered into, or else he would direct him to demand an end of the strike instantly.

No whipping around the bush is necessary on the part of the President if he really wants to end the strike; but he is too fearful of the labor voters who are in the unions to come out into the open and demand an end of the strike by those responsible for it.

Secretary Wilson is regarded as one of the most determined fighters for unionism in the country, and is the power back of United Mine Workers of America, and this strike was with his consent and is having his cordial support. Mr. Welborn, who, with the other two representatives of the operators, now believe that behind the soft voice of Secretary Wilson is the hand of Esau; that he is a cunning schemer and has tried during his stay here to trap the operators into same corner that the labor leaders can claim that they have won recognition of the union through him.

It is a well-planned undertaking on the part of the labor-union leaders of the country to shut the "open shop," and it is their opportunity to do so, while one of their own confidential and most expert schemers is in the President's Cabinet and the head of the department that can give the movement enormous encouragement, if not direct and active support.

The writer has satisfied himself that the labor leaders in charge would laugh at any report of any committee that would leave recognition of the union open for the operators to decide for themselves. So we prefer to let the President ask Congress to make the investigation and take our chances. We are ready and more than willing to face friend or foe in connection with our legal or moral responsibility as employers of labor.

Yours, very truly,

L. M. BOWERS.

STARR J. MURPHY, Esq., New York.

DECEMBER 9, 1913.

DEAR MR. BOWERS: I have yours of December 6, and accept entirely your decision. In fact, as we have said many times before, we leave this matter entirely in your hands, having the utmost confidence in your judgment and the way you are handling the matter.

Very truly, yours,

STARR J. MURPHY.

Mr. L. M. BOWERS,

*The Colorado Fuel & Iron Co., Denver, Colo.*

DECEMBER 8, 1913.

DEAR MR. BOWERS: I am sorry to learn, from your penciled note of the 3d, that you are under the weather. It is hardly strange, however, in view of the severe strain which has been upon you these many weeks. You are fighting a good fight, which is not only in the interest of your own company but of the other companies of Colorado and of the business interests of the entire country and of the laboring classes quite as much. I feel hopeful that the worst is over and that the situation will improve daily.

Take care of yourself, and as soon as it is possible, get a little let-up and rest.  
Very truly,

JOHN D. ROCKEFELLER, Jr.

Mr. L. M. BOWERS,  
*Colorado Fuel & Iron Co., Denver, Colo.*

DECEMBER 22, 1913.

DEAR MR. ROCKEFELLER: If the governor had acted on September 23 as he has been forced to act during the past few weeks, the strike would have never existed 10 days.

We used every possible weapon to drive him into action, but he was glove in hand with the labor leaders and is to-day, but the big men of affairs have helped the operators in whipping the agitators, including the governor.

Now these fellows are cursing him without regard for common decency, so everybody is giving him more or less taffy to keep him from backsliding. The inclosed is a sample of the resolutions being sent to him, besides any number of personal letters.

By the number of miners we are getting in from the South and East, we will have all we can work in a week or so. Of course, the coal trade is good for nothing after about February 1, except the railroads, and little money is made on their trade.

I received a nice note from your father and in reply stated that I was feeling much better, though I am having miserable trouble with indigestion yet, which upsets me all over, especially my sleep.

I have never known such widespread approval by all classes of business men as we are getting in our fight for the "open shop."

We are paying the 4 per cent dividend for the last half of the current year on the preferred stock.

I thank you for your suggestion to take a rest, but I have no expectation of taking even a day off before spring, unless I play out entirely.

Wishing you and yours a "happy holiday season," I remain,

Yours, very truly,

L. M. BOWERS.

DECEMBER 26, 1913.

DEAR MR. BOWERS: Your letter of December 22, with inclosed clipping, is received. I note with interest the fact that the miners are rapidly going to Colorado from the South and East. I assume this means that conditions have become so nearly normal that business can be very generally resumed. It is most gratifying to feel that this struggle is so rapidly becoming a thing of the past.

I know that father has followed the events of the past few months in connection with the fuel company with unusual interest and satisfaction. I am glad that you are somewhat better, and still urge you to be as careful as possible, so as to get your digestion in good condition again, even though you may not stop for a rest just yet.

Thanking you for your holiday greetings, and wishing for you and yours a happy new year, I am,

Very sincerely,

JOHN D. ROCKEFELLER, Jr.

Mr. L. M. BOWERS,  
*Denver, Colo.*

[The Colorado Fuel & Iron Co., Denver, Colo. L. M. Bowers, vice president and treasurer.]

DECEMBER 30, 1913.

DEAR MR. ROCKEFELLER: I am inclosing herein letter No. 3, from President Wilson, and my reply.

His Excellency had an excellent opportunity to end this correspondence upon receipt of my second letter, but unwisely, we all think, he allowed himself to write another one, which, if from a less dignified statesman, would be regarded as a bluff, as he was well aware that the efforts of Congressman Keating, of Colorado, and some other Representatives catering to labor unions have utterly failed to induce Congress to make an investigation. We are confidentially advised that President Wilson's recommendation for a congress-



sional investigation will be no more effective. Anyhow, he can meditate over his decidedly weak reply to my second letter and take such action as he sees fit.

We are mightily pleased that the President used the strong language he did in stating "that a thorough investigation of the whole matter is necessary," as it gave me an opportunity to include the Colorado Fuel & Iron Co., the United Mine Workers of America, and the Department of Labor, as the three concerned, and I hardly see how they can be separated if the "whole matter" is to be investigated. So, on the whole, I am more than pleased to receive this third letter, which no shrewd business man would have allowed himself to have written, in my opinion.

We now have in the southern fields all the miners that we can use to supply the mills, coke ovens, railroads, and the probable limited demand for domestic and other purposes from now on.

As stated in my letter to the President, there are several hundred sluggers camped within the strike zone, who have rifles and ammunition in large quantities secreted, and we are facing a guerrilla warfare that is likely to continue for months to come. Assassinations and destruction of property will be attempted unless the indicted officials and labor leaders are tried and severely punished.

I thank you most heartily for your suggestion of a rest, but I can not possibly anticipate this, unless I give out entirely. Insomnia is my trouble when worry induces indigestion and nervous dyspepsia, and I am considerably disturbed and am feeling the effects of lack of sleep; but I am pretty well equipped with good nerves and expect to pull through without being forced to quit.

Yours, very truly,

L. M. BOWERS.

Mr. JOHN D. ROCKEFELLER, Jr.,

New York, N. Y.

[The Colorado Fuel & Iron Co., Denver, Colo. L. M. Bowers, vice president and treasurer.]

JANUARY 8, 1914.

DEAR MR. ROCKEFELLER: The Federal court, after two days' trial on the part of the Government, dismissed the case against us on the grounds of no cause of action before we had opened our defense.

This case was the one against Judge Beaman and the Colorado Fuel & Iron Co. to recover 160 acres of coal lands, valued, as they stated, at \$1,000 an acre.

This is the last case of the Government against the company, unless the herd of Government politicians run out of a job and browse around to find something else over which to annoy us.

Everything is running along about as usual, with more or less men deserting the strikers' camps every day, getting employment, if possible, in the mines where they had formerly worked.

We have all we can employ under present conditions in the coal and steel market.

Yours, very truly,

L. M. BOWERS.

Mr. JOHN D. ROCKEFELLER, Jr.,

New York, N. Y.

JANUARY 8, 1914.

DEAR MR. BOWERS: Your letter of December 30, inclosing copy of President Wilson's third letter to you and your reply, has been received and read with interest. I rather fancy that the correspondence has ended. It is most regrettable that these armed trouble makers are still remaining in the labor camps, and we can only hope that the State government will take such action as will compel them to leave the country at an early date.

Thank you for keeping us posted regarding these matters.

Very sincerely,

JOHN D. ROCKEFELLER, Jr.

Mr. L. M. BOWERS, Denver, Colo.

26 BROADWAY,  
New York, April 14, 1914.

DEAR MR. BOWERS: I inclose herewith a letter from the secretary of the industrial department of the Young Men's Christian Association, with a pamphlet regarding their work.

It may be that it would be worth while to consider the establishment, in connection with the steel mills, if not in the mining camps, of a Young Men's Christian Association under the management of the industrial department.

I send the data to you for such consideration as you and Mr. Welborn may see fit to give it.

Very truly,

JOHN D. ROCKEFELLER, Jr.

Mr. L. M. BOWERS,  
Colorado Fuel & Iron Co., Denver, Colo.

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[The Colorado Fuel & Iron Co., Denver, Colo. L. M. Bowers, vice president and treasurer.]

APRIL 18, 1914.

DEAR MR. ROCKEFELLER: I am in receipt of your favor of the 14th, inclosing copy of pamphlet issued by the industrial department of the Y. M. C. A.

There is no doubt that a small Y. M. C. A. building, including gymnasium, reading room, etc., would be a good thing in the vicinity of our steel mills at Pueblo, but the Colorado Fuel & Iron Co. could not possibly undertake the erection of such a building or maintain it for some time to come.

We have already lost in nine months, as you will see by our March report, \$834,351.15, which will reach a million by the end of our fiscal year, and besides this an entire year's profits are lost. This means at least two years of hard work, with conditions reasonably favorable, to put us in the condition we would have been in financially but for this strike.

Yours, very truly,

L. M. BOWERS.

Mr. JOHN D. ROCKEFELLER, Jr.,  
New York, N. Y.

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[The Colorado Fuel & Iron Co., Denver, Colo. L. M. Bowers, vice president and treasurer.]

APRIL 18, 1914.

DEAR MR. ROCKEFELLER: I have been so busy since I returned, and so few matters of importance in connection with the strike have come up, that I have not written you.

Speaking broadly, there is a decided weakening all along the line on the part of the labor leaders. We have reliable information that the United Mine Workers of America are pinched as never before for funds. The present week in northern Colorado they cut off the relief of 140 miners, which has created a very bad feeling on their part, and as some of those who are still kept on the pay roll say, it is only a matter of time when they will all be cut off from any funds whatever. In southern Colorado the labor leaders are making a thorough canvass of the strikers' camps and a very large number are to be eliminated from their pay roll when the canvass is completed.

A matter of more significance, in my opinion, is the change of attitude of the local representatives of the union from that of the past few months toward the miners themselves. Heretofore they have constantly endeavored to encourage the miners to hold out, as victory was sure to be won. Now, instead of encouragement, they dodge the issue and in some cases deliberately undertake to offend the miners, expecting they will quit the camps and go back to work and thereby relieve the organization from its financial burden, knowing that the strike has been a failure and that eventually the miners will have to shift for themselves.

A large number of the militia has been withdrawn, but Mr. Welborn and other operators believe enough are retained to protect the camps, supplemented by our own guards.

Another favorable feature is the organization of a military company of 100 volunteers at Trinidad the present week. They are to be armed by the State and drilled by military officials. Another squad is being organized at Walsen-



burg. These independent militiamen will be subject to orders of the sheriff of the county. As these volunteers will draw no pay from the State, this movement has the support of the governor and other men in authority.

On the whole, the strike, we believe, is wearing itself out, though we are likely to be assaulted here and there by gangs of the vicious element that are always hanging around the coal-mining camps.

Yours, very truly,

L. M. BOWERS.

Mr. JOHN D. ROCKEFELLER, Jr.,  
26 Broadway, New York.

[Article which appeared on the ticker of the New York News Bureau April 21, 1914.]

MAY SEND TROOPS TO COLORADO COAL FIELDS.

DENVER.—A special session of the legislature may be called to authorize the sending of troops back to the southern Colorado coal fields, where a strike has been in progress for some time. Reports from the fields to-day are conflicting, according to dispatches sent to Adj. Gen. Chase. The battle which was begun yesterday, and in which six persons are known to have been killed and seven others reported dead, was resumed at daybreak to-day.

[Telegram.]

DENVER, COLO., April 21, 1914.

JOHN D. ROCKEFELLER, Jr.,  
26 Broadway, New York:

Following withdrawal of troops by order of governor an unprovoked attack upon small force of militia yesterday by 200 strikers. Forced fight resulting in probable loss of 10 or 15 strikers. Only one militiaman killed. Ludlow tent colony of strikers totally destroyed by burning; 200 tents; generally followed by explosions, showing ammunition and dynamite stored in them. Expect further fighting to-day. Militia being reenforced. Suggest your giving this information to friendly papers.

L. M. BOWERS.

[Telegram.]

APRIL 21, 1914.

L. M. BOWERS,  
Boston Building, Denver, Colo.:

Telegram received. New York papers have published full details. To-day's news is appearing on ticker. We profoundly regret this further outbreak of lawlessness with accompanying loss of life.

JOHN D. ROCKEFELLER, Jr.

26 BROADWAY,  
New York, April 21, 1914.

DEAR MR. BOWERS: I have your letter of April 18 regarding the progress of affairs in connection with the Colorado Fuel & Iron Co.

I am sending you herewith a copy of a letter from Frank J. Hayes, vice president of the United Mine Workers of America, to which, in conformity with the policy adopted by Mr. Welborn and yourself, I will make no reply.

Very truly,

JOHN D. ROCKEFELLER, Jr.

Mr. L. M. BOWERS,  
Colorado Fuel & Iron Co., Denver, Colo.

[Telegram.]

APRIL 23, 1914.

Mr. L. M. BOWERS,  
Colorado Fuel & Iron Co., Denver, Colo.:

Have any of the disturbances reported in your telegram of yesterday or those reported in to-day's papers occurred in connection with mines owned by or with former or present employees of the fuel company? Please answer.

JOHN D. ROCKEFELLER, Jr.

[Telegram.]

DENVER, COLO., April 23, 1914.

JOHN D. ROCKEFELLER, Jr.,  
26 Broadway, New York:

None of the three mine tops destroyed owned by anyone connected with this company now or formerly. Reports of destruction of other mines incorrect. The situation in general to-day is critical. Militia being assembled and hope to reach disturbed district before night.

L. M. BOWERS.

[Telegram.]

NEW YORK, April 23, 1914.

L. M. BOWERS,  
Colorado Fuel & Iron Co., Denver, Colo.:

Telegram received. Referring to my earlier telegram, were any of the people killed or injured or any of those taking part in the disturbances of the last two or three days present or former employees of the fuel company? Please wire full reports daily.

JOHN D. ROCKEFELLER, Jr.

[Western Union night letter.]

DENVER, COLO., April 24, 1914.

JOHN D. ROCKEFELLER, Jr.,  
26 Broadway, New York:

None of our employees injured nor property destroyed yet. Much less disturbance to-day than was anticipated. Train with soldiers on way to strike district is causing anxiety. Fearing dynamiting or other mischief.

L. M. BOWERS.

[The Colorado Fuel & Iron Co., Denver, Colo. Executive department, L. M. Bowers, chairman.]

APRIL 25, 1914.

DEAR MR. ROCKEFELLER: Your letter of April 18 and 21 are at hand. I am returning herein the letter and cooperative agreement sent you by Mr. J. B. Cory, of Braddock, Pa. Mr. Cory is precisely sound in his argument placing the unrest and responsibility of strikes upon the labor parasites and the legal shysters. We have kept one copy of the contract.

The situation in the States west of the Missouri River among the coal operators is a very difficult problem, as it is utterly impossible to organize because of the great number of small mines owned by individuals and small corporations, so that no cooperative agreement has ever been possible. The Colorado Fuel & Iron Co. usually leads in fixing prices and conditions, which the larger companies usually agree to, and the smaller concerns also, if it is for their interest, but no dependence can be placed upon their adherence to any working plan for any length of time.

Again, in this present trouble the prices of mining and the income of the workmen had nothing to do with this strike, as they were getting larger pay than in any bituminous coal mining district in the United States. If they had been working under an agreement similar to that suggested by Mr. Cory, they would have been driven out just the same.

I have no suggestions to offer to you in regard to the letter of Vice President Hayes, only to say that an interview with him by yourself or any of your representatives would be spread over the United States in 24 hours, and the strike would not be called off by him unless the Colorado Fuel & Iron Co. would agree to unionize the mines.

If the matter was solely between the United Mine Workers of America and the Colorado Fuel & Iron Co., it might make some difference, but practically all of the coal operators of the entire State are concerned, many of them very large concerns, and some of them in northern Colorado, who had been under the domination of the United Mine Workers of America for several years, were



forced to throw off the yoke four years ago, and have been operating their mines independent of the union at an enormous cost. It would therefore be impossible for the Colorado Fuel & Iron Co. to settle the disputes if we should yield to the demands of the union, as the operators of northern Colorado will never be in their clutches again. We have been given altogether too prominent a place in this trouble, as we only mine about one-third of the output of the State.

I have received a large number of letters, telephone calls, and personal visits from prominent men in all lines of business and professions complimenting you on your testimony before the congressional committee. I have not sent any of them to you, knowing that you were getting innumerable compliments direct; although it is a pleasure to men, like yourself and the writer, who propose to do the right thing whether we have the approval or condemnation of others, to receive a bit of praise now and then.

It may be proper for one who knows you so intimately as I do, to say that the estimate of your testimony for the good of this country, given in my hurried letter to you before leaving Binghamton, was not as strongly stated as that of scores of men whom I have met and from whom I have received letters.

We have a Congressman whose home is in Denver who is in some respects a character. There is no question in regards to his honesty, though he is sometimes reckless in his use of the English language, but he is right in his conclusions more than half the time, I am sure. I am taking the liberty of sending you letter of the Hon. George J. Kindel.

Yours, very truly,

L. M. BOWERS.

Mr. JOHN D. ROCKEFELLER, Jr.,  
New York, N. Y.

[Telegram.]

DENVER, COLO., April 24, 1914.

JOHN D. ROCKEFELLER, Jr.,  
26 Broadway, New York:

Generally quiet yesterday. Firing on one mine of Victor Co. began this morning. Can not forecast future movement strike leaders and political demagogues.

L. M. BOWERS.

[Telegram.]

APRIL 26, 1914.

L. M. BOWERS,  
Vice President Colorado Fuel & Iron Co., Denver, Colo.:

How many coal companies are involved in the strike? What proportion of their normal total output does your company represent. Answer 10 West Fifty-fourth Street.

JOHN D. ROCKEFELLER, Jr.

[Telegram.]

DENVER, COLO., April 26, 1914.

JOHN D. ROCKEFELLER, Jr.,  
13 West Fifty-fourth Street, New York City:

Telegram received. Practically all of the mines in southern Colorado are in the strike. Colorado Fuel & Iron Co. produce about one-third of the output in southern Colorado.

L. M. BOWERS.

[Telegram.]

DENVER, COLO., April 27, 1914.

JOHN D. ROCKEFELLER, Jr.,  
26 Broadway, New York City:

Chandler mine, Victor property, surrendered Sunday afternoon after 30 hours continuous fighting. Two mine employees known to have been killed,

City of Trinidad in hands of 500 or more armed strikers, including many fighting Greeks brought in from New Mexico. Washington telegrams state Chairman Foster to visit New York this afternoon for conference with Osgood and doubtless yourself under direction of President to undertake settlement of strike before Federal troops are called into action. This delay may mean enormous loss of property and many lives. The strikers are increasing forces of men, guns, and ammunition hourly. In our opinion any proposition of Foster involving unionizing mines would be almost unanimously refused by the operators of Colorado; also anything he may press for temporary withholding Federal troops would be exceedingly detrimental and unwise. Immediate protection should be demanded and the parties responsible for calling this iniquitous strike should be forced to call it off.

L. M. BOWERS.

[Telegram.]

APRIL 27, 1914.

L. M. BOWERS,

*Care Colorado Fuel & Iron Co., Boston Building, Denver, Colo.:*

Had conference with Dr. Foster this morning. No basis of settlement was suggested which seemed to us likely to secure the consent of the mine operators of Colorado. Have wired the President the result of the interview; also the substance of your telegram regarding conditions and the necessity for sending Federal troops at once.

JOHN D. ROCKEFELLER, Jr.

[Telegram.]

DENVER, COLO., April 28, 1914.

JOHN D. ROCKEFELLER, Jr.,

*26 Broadway, New York:*

Our McNally mine, which is small and idle, was partly destroyed yesterday afternoon. None of our men were killed. Strikers now endeavoring to reach our Walsen mine, a large and valuable property. We have fair number of militia and men well armed there and hope to prevent its destruction. In northern Colorado strikers started firing upon mine at Louisville this morning. This property, however, is very well protected. The President has not ordered out Federal troops, notwithstanding repeated appeals from the governor, chamber of commerce, bankers, coal operators, and numerous other organizations, besides appeals from private citizens.

L. M. BOWERS.

[Telegram.]

DENVER, COLO., April 29, 1914.

JOHN D. ROCKEFELLER, Jr.,

*13 West Fifty-fourth Street, New York:*

Telegram received. Not a person in our employ killed or injured. Our McNally mine worth probably \$30,000. Only loss Forbes mine, Rocky Mountain Fuel Co., destroyed to-day; eight miners killed and several strikers. Number not reported. A surgeon killed wearing Red Cross badge while dressing wounded soldier. Proclamations of both President and governor practically ignored by strikers to-day.

L. M. BOWERS.

[Telegram.]

APRIL 29, 1914.

L. M. BOWERS,

*Colorado Fuel & Iron Co., Denver, Colo.:*

Would not the officers of the fuel company agree, and probably the other operators as well, to have some one or three disinterested men act as mediators between the various parties directly and indirectly engaged in the present turmoil? Such mediators to have no powers, but simply to go from one side to the other, undertaking to formulate in definite terms the position of each, and then to act as negotiators in seeing whether anything could be done. They



would talk with the various parties separately, privately, and confidentially. No one would surrender any rights or make any commitments by consenting to confer with such mediators. If nothing was accomplished, the mediators to make a public statement, setting forth in definite terms the position of each party, such a statement to be passed upon before publication by each party.

STARR J. MURPHY.

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[Telegram.]

DENVER, COLO., April 29, 1914.

STARR J. MURPHY,  
26 Broadway, New York:

We all agree that such a scheme would be most unwise. It would simply string the matter along without the slightest possibility of a change of attitude on the part of the operators. Federal troops arriving and daylight begins to break. The statement of Mr. Rockefeller is being commented upon and cordially approved. Sentiment of good citizens decidedly favorable. Throughout State thousands of subscribers stopping muckraking papers, who are largely responsible for this outbreak of passion among the working people.

L. M. BOWERS.

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[Telegram.]

APRIL 29, 1914.

L. M. BOWERS,  
Boston Building, Denver, Colo.:

If it is true as reported in the papers that any of our employees have been injured in the recent disturbances, I trust that you have already taken steps to provide fully for them and their families.

JOHN D. ROCKEFELLER, Jr.

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[Western Union night letter.]

DENVER, COLO., April 30, 1914.

JOHN D. ROCKEFELLER, Jr.,  
26 Broadway, New York:

Coal operators have wired reply to Dr. Foster which will be reported by Associated Press for morning papers.

L. M. BOWERS.

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[Telegram.]

DENVER, COLO., May 1.

JOHN D. ROCKEFELLER,  
26 Broadway, New York:

Operators sending Foster second telegram, including the governor's joint letter to the miners' committee and the operators, and the latter's acceptance. This message will be published by the Associated Press. We are also wiring Congressman Kindel dates of our voluntarily giving our miners all the advantages that union miners received anywhere, which Congressman Keating incorrectly insists was done by us to forestall strike. Federal troops in strike zone and everything quiet.

L. M. BOWERS.

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[Telegram.]

NEW YORK, May 2, 1914.

L. M. BOWERS,  
Colorado Fuel & Iron Co.,  
Boston Building, Denver, Colo.:

Newspapers publish brief statement with regard to second telegram from presidents of Colorado companies to Chairman Foster reiterating their willingness to agree to settlement suggested by Gov. Ammons November 27. Please wire us at once full copy of this telegram. If it includes Gov. Ammons's letter, omit this part.

JOHN D. ROCKEFELLER, Jr.

[Telegram.]

NEW YORK, May 2, 1914.

L. M. BOWERS,  
Care Colorado Fuel & Iron Co.,  
Boston Building, Denver, Colo.:

Referring to your telegram of May 1 regarding second telegram from operators to Dr. Foster, same has not yet been published. Please wire me immediately its substance.

JOHN D. ROCKEFELLER, Jr.

[Telegram.]

DENVER, COLO., May 2, 1914.

JOHN D. ROCKEFELLER, Jr.,  
Care Charles O. Heydt, Graham Court, New York:

Following message to Kindel: To correct Hon. Keating's charges that the Colorado Fuel & Iron Co. did not voluntarily grant to its miners all the advantages of labor unions until compelled to do so to forestall a strike, we wish to advise you that a 10 per cent increase of wages not asked for was given on April 1, 1912. The circular advising miners to employ their own checkweighman was posted April 11, 1912, one year and six months before strike. This circular referred to the fact that the company had always favored miners employing their checkweighman and reissued for information of new men semimonthly pay day on February 1, 1913, and eight-hour day March 1, 1913, both unsolicited and six months before strike was called.

L. M. BOWERS.

[Telegram.]

MAY 2, 1914.

L. M. BOWERS,  
Colorado Fuel & Iron Co.,  
Boston Building, Denver, Colo.:

Please telegraph me copy of your telegram to Congressman Kindel referred to in your telegram of yesterday.

JOHN D. ROCKEFELLER, Jr.

[Telegram.]

DENVER, COLO., May 2, 1914.

JOHN D. ROCKEFELLER, Jr.,  
26 Broadway, New York:

Telegram received. Following is the introductory and closing paragraphs of the telegram sent Foster yesterday signed by all the operators and given to the Associated with understanding it should be published in full:

"In connection with and as supplementing operators' telegram to you last night, permit us to call your attention to the fact that on November 26 last in the governor's office a conference was held between three of the operators and representatives of their former employees then on strike. It developed in the conference that the only obstacle to settlement was the strikers' insistence upon union recognition. On November 27 the governor suggested in writing to those present at the conference a solution covering all points except recognition of the union. His letter was as follows:

"The strikers refused to accept the terms of settlement proposed by the governor and approved by the operators and all the disorder and bloodshed in this State since November 27 has been due to this attitude of the officers and members of the United Mine Workers of America."

"We still consider the plan of the governor legally and industrially sound and have never retracted our formal approval thereof."

L. M. BOWERS.

MAY 2, 1914.

Mr. L. M. BOWERS,  
The Colorado Fuel & Iron Co.,  
Boston Building, Denver, Colo.

DEAR MR. BOWERS: I inclose a clipping which appeared in the Evening Post last night entitled, "Mr. Rockefeller's concessions," purporting to contain copies



of the Colorado statutes and intending to show that the granting of the eight-hour day, the right to checkweighmen, freedom with regard to trading at company stores, was all pursuant to law and not in any sense a concession made by the company. At your convenience we would be glad to have a statement of facts bearing on these points.

Very truly, yours,

STARR J. MURPHY.

[Telegram.]

MAY 3, 1914.

MESSRS. WELBORN & BOWERS,

*Colorado Fuel & Iron Co., Denver, Colo.:*

Mr. Bowers's telegram of yesterday quoting text of operators' second telegram to Dr. Foster received. We strongly urge operators to take a vigorously active position looking toward the acceptance by all parties concerned of Gov. Ammons's plan of November 27, and to outline a method by which the parties can now get together for the reconsideration of the matter from that point unless you already have some better plan in mind. Such action will demonstrate what has always been the fact, namely, that the operators are earnestly desirous of doing all in their power to restore harmony. It may seem wise to the operators to ask the good offices of the President and the governor in bringing about the above result.

JOHN D. ROCKEFELLER, JR.

[Telegram.]

NEW YORK, *May 4, 1914.*

L. M. BOWERS,

*Colorado Fuel & Iron Co., Denver, Colo.:*

Telegram received. Are operators proposing to enter into communication with Secretary Wilson?

JOHN D. ROCKEFELLER, JR.

[Telegram.]

DENVER, COLO., *May 4, 1914.*

JOHN D. ROCKEFELLER, JR.,

*26 Broadway, New York:*

Yesterday's telegram received. Secretary Wilson is the official to force the union to reconsider Gov. Ammons's proposition, as he was present at the conference with the operators and miners' committee and on the surface seemed to regard the governor's recommendation favorably. Foster is doubtless a cat's-paw for Washington officials and the union leaders. They are evidently greatly disturbed and we believe will force the strike to be called off. The United States troops are restoring order and we have excellent reason to believe that the Government is getting some eye-opening reports from the field officers that will blacklist the union leaders as villains.

L. M. BOWERS.

[Western Union night letter.]

DENVER, COLO., *May 4, 1914.*

JOHN D. ROCKEFELLER, JR.,

*26 Broadway, New York:*

Telegram received. Operators wiring President Wilson a long comprehensive message covering important features. They deplore the injustice done you personally and take upon themselves independent of you and the Colorado Fuel & Iron Co. the responsibility of the conduct of the strike and refusal to arbitrate or recognize the union. We do not join in that telegram, which will be given the Associated Press to-night. There will be an attempt made to reach Secretary Wilson later.

L. M. BOWERS.

[Telegram.]

MAY 6, 1914.

L. M. BOWERS.

*Colorado Fuel & Iron Co., Denver, Colo.*

New York papers have not published operators' message to the President. Please mail complete copy for our information.

JOHN D. ROCKEFELLER, JR.

[The Colorado Fuel & Iron Co., Denver, Colo. L. M. Bowers, vice president and treasurer.]

MAY 6, 1914.

DEAR MR. MURPHY: Replying to your favor of the 2d. The criticism of Mr. Northrop in the New York Evening Post of May 1 is misleading in some respects plus half the truth in others. Our legal department has furnished me some rather hurried notes on the following points:

*Eight-hour law.*—The present eight-hour law went into effect April 3, 1913. This includes not only miners and coal diggers, but all underground men. The old eight-hour law passed in 1905 included only coal diggers, who rarely ever worked even eight hours a day, and as they worked by the ton it made no difference to the company whether they worked four, six, or eight hours, but it makes a vast amount of difference whether or not the 40 per cent who are not coal diggers work 8 or 10 hours, as they are paid by the day. While we established the eight-hour day on March 1 and the law went into effect on April 3 it might look on the surface as though we had foreseen that this law would pass and wet the powder. But the facts are that we took up the matter of establishing an eight-hour day several months prior to the assembling of the 1912 legislature for the purpose of demonstrating whether or not we could so adjust our operations as to enable us to adopt the eight-hour day without serious loss, which we satisfied ourselves we could do, and it would have been adopted by our company whether the legislature passed that law or not. You will be interested to know that the senate committee having this eight-hour bill and all the other bills relating to coal mining in hand by agreement selected a subcommittee made up of five men, which included John Lawson, the United Mine Workers' leader in this State and a member of the international board of that organization, State Coal Mine Inspector Dalrymple, a union man, two engineers, Mr. Weitzel representing the C. F. & I Co. and Mr. Peart representing the Victor-American Fuel Co., and one independent engineer. Our Mr. Weitzel was selected by common consent of all concerned and was the man who practically wrote every line of the coal mining law of 1912-13, spending more than a month here at the capitol. Time and time again he made concessions to Lawson and others and demanded some himself. The outcome is the present coal mining law, signed by all of the members of the committee, which the senate committee agreed to present without amendment or alteration if all members of the subcommittee recommended its passage. It is spoken of as one of the best coal mining laws passed in any State.

*Seminmonthly pay.*—The law referred to covering this point was considered unconstitutional and the supreme court was asked by the legislature to pass upon the constitutionality of the act and refused to answer the inquiry of the legislature. It is the opinion of lawyers that if the statute had been tested in the courts the act would have been declared unconstitutional. In any event no attempt was ever made to enforce it. It was absolutely a dead law and no individual or organization seemed to care enough about it to demand compliance in this State. As I have stated in a former letter, we were never asked to make semimonthly pay except in a single instance where a miner or two asked the superintendent if he thought we would be willing to pay that mine twice a month. This request was forwarded to this office and came up to me. Upon looking into the matter I found that in other States a semimonthly pay to coal miners had been agreed upon, and I felt that it would be brought up sooner or later. We therefore granted the request of this party and established a semimonthly pay throughout our mining camps. I will say in this connection that the writer did not know that there had ever been such a law passed, and if Mr. Welborn or any of our other officials knew it it had slipped their minds or I should not have emphasized this point as I have done in this controversy. However, it must have been forgotten by the strike leaders, because I have never noticed their mentioning the existence of this old law.

*Checkweighmen and scale inspection.*—The statute makes it the duty of the county commissioners to appoint inspectors of weights and measures in each county, and at the time in question such inspector had been appointed by the county commissioners and was performing his duties and had inspected the scales in Las Animas County, where the mines of the Colorado Fuel & Iron Co in question are located. The statute also provides that in a county where there is no inspector the State inspector of mines shall test the scales within a reasonable time after application is made to him by either the miners or owners or those who may be operating the mine. Under this statute Factory Inspector Brake or his deputy should not have inspected the scales in these mines.



In the testimony before the congressional committee Deputy Inspector Howe stated that he was instructing another deputy, Monical by name, in regard to testing scales, and they went to these mines, as reported. This deputy, Monical, as Howe's testimony shows, was discharged for incompetency. From other sources we learned that he was a drunkard and could not accurately test scales, but he was an adept at lying about his work and was known to have been outspoken against the C. F. & I. Co., and there is little, if any, doubt that his report was absolutely false. Factory Inspector Brake, who is and has been one of the strongest opponents of the "open shop" in the State, was more than glad to incorporate this drunkard's report into the testimony, so that he might give the C. F. & I. Co. a slap. He is an enemy of all the operators, and the governor has been appealed to repeatedly to remove him, but he is able to retain his position through political wirepulling. The statement that the men could not have checkweighmen is, as you know, absolutely false. At Starkville there has been a checkweighman for 20 years, and this property is within 7 miles of Morley, both of which are operated by the C. F. & I. Co. As our attorney says, it is incredible that the Morley miners could not have a checkweighman if they had so desired, while the Starkville miners could. I will say in a word that where miners had their own checkweighmen for a while they have invariably refused to continue them and pay the few cents a month to the checkweighmen for that service. I am now speaking of the C. F. & I. Co. and have nothing to say about our neighbors in that connection. Monical reports that there are no scales at Segundo. The reason is that it is a coking plant and the coal is sent there from other mines for coking purposes.

*Company stores and antitruck act.*—This act simply applies to the so-called "scrip" system, which was abolished by the C. F. & I. Co. a long time ago.

*Employment of armed guards.*—Mr. Northrop quotes only a portion of the law. The part omitted reads as follows:

"*Provided*, That nothing contained in this act shall be construed to interfere with the right of any person, persons, or company, corporation, society, association, or organization in guarding or protecting their private property or private interest, as is now provided by law; but this act shall be construed only to apply in cases where workmen are brought into this State, or induced to go from one place to another in this State, by any false pretenses, false advertising, or deceptive representations, or brought into this State under arms, or removed from one place to another in this State, under arms."

Mr. Northrop evidently in his desire to serve labor unions failed to state that the United Mine Workers of America officials came here from other States, shipped in large quantities of arms and ammunition, and hired sluggers from other States to use them, and violated the portion of the law which he did not quote; namely, "removed from one place to another in this State, under arms," as that organization has been doing before and during the present strike.

You appreciate, Mr. Murphy, that every one of us here is under a tremendous pressure, and we have an enormous amount of work to do; in fact, our offices have been kept open night and day for most part during the last two weeks. Cots have been brought in and placed in the office of the Colorado & Wyoming Telegraph Co., where Mr. Welborn and other officers of the C. F. & I. Co., with other operators, could get a little rest at times during the night. Local and long-distance telephones were in constant use, and we had to have armed guards at our office and at the homes of some of us, so we have not been able, if we wished, to dispute the statements of the score or two of the representatives of yellow newspapers and muckraking magazines who have been here writing up the Colorado strike war. As quiet is being restored and the public mind calmed and reversed very largely, newspapers are asking for the facts now, having tired the people with their exaggerated and inflammatory articles.

Yours, very truly,

L. M. BOWERS.

STARR J. MURPHY, Esq.,

26 Broadway, New York, N. Y.

It is possible my placing Mr. Peart with the V. A. P. Co. should have said Rocky Mountain Fuel Co. My secretary has gone home, so I will simply add this note.—B.

[The Colorado Fuel & Iron Co., Denver, Colo. L. M. Bowers, vice president and treasurer.]

MAY 7, 1914.

DEAR MR. MURPHY: I should have stated in my letter yesterday that the law passed in 1912 in regard to the employment of armed guards is being opposed under the "recall and referendum" act passed by the same legislature. This fact Mr. Northrop may not have known. It will come before the people again this winter.

Under the heading "Checkweighmen and scale inspection," where I refer to Factory Inspector Brake, after the words, "Incorporate this drunkard's report into the testimony," it should read, "Incorporate this drunkard's report into his (Brake's) annual report."

Yours, very truly,

L. M. BOWERS.

STARR J. MURPHY, Esq.,  
26 Broadway, New York, N. Y.

MAY 7, 1914.

DEAR MR. BOWERS: In the statement which Mr. John D. Rockefeller, jr., gave out to the press, he said that the eight-hour day, semimonthly pay, right to use checkweighmen, freedom to deal at the company stores or not, and the increase of wages, were all made by the company voluntarily. The statement is now made by some of his critics that all these points, except the increase in wages, were covered by law, and that the company did not make the concessions until statutes were passed requiring them. He asks me on his behalf to find out what are the facts in this connection, and would be obliged if you could inform us when the statutes went into effect, and when the various matters above mentioned were granted to our workmen, and what, if any, are the relations between the granting of them and the statutes.

Sincerely, yours,

STARR J. MURPHY.

Mr. L. M. BOWERS,  
Colorado Fuel & Iron Co., Denver, Colo.

[Telegram.]

MAY 26, 1914.

J. F. WELBORN, President.  
L. M. BOWERS, Vice President,  
Colorado Fuel & Iron Co., Denver, Colo.:

In his telegram to me of April 29, Dr. Foster said:

"William Green, secretary-treasurer of the International Mine Workers' Union, makes public statement that the mine workers will waive any recognition of the union or unionizing camps. If the President should suggest to the operators and miners that all questions affecting the relations between themselves and their present and former employees except the recognition of the union and the unionizing of the camps be submitted for adjudication to a board to be appointed by the Chief Justice of the Supreme Court, to consist of members of the Supreme Court and other Federal judges would the operators accept? Would not their acceptance be entirely consistent with the position which they took in November last in reference to the suggestions of Gov. Ammons, which position they reiterated in their telegram of May 1 to Dr. Foster? Would it not go far to remove the unfair criticism to which they are now being subjected, and if accepted by the miners, would it not put an immediate end to the present controversy? Would not the findings of such a board bring the facts before the public in an authoritative way, a result so greatly to be desired?"

JOHN D. ROCKEFELLER, JR.

[Western Union night letter.]

DENVER, COLO., May 26-27, 1914.

JOHN D. ROCKEFELLER, JR.,  
26 Broadway, New York.

Your wire date in view of fact that two representatives of Government, one an operator apparently very favorably disposed toward our side of con-



trovery and other a miner, both appointed by Secretary of Labor Wilson, are now actively investigating conditions here, and that a committee of six from our own legislature has just commenced similar investigation, it would seem to me inadvisable that matter be taken up by any other body at this time. It is opinion of Mr. Bowers and myself that the proposition made by Gov. Ammons in November, approved by Secretary Wilson and accepted by operators, and which at your suggestion we repeated to Chairman Foster, influenced Wilson in selection of his committee, or at least in one member of it, and that a report favorable to us from that committee is not improbable. Furthermore, Green and other officers of the international organization were reported to have repudiated the statement attributed to him that recognition would be waived. The points suggested by Gov. Ammons in November are all covered by our statutes and are being lived up to practically all if not all operators. This fact seems to be now well understood by the people in Colorado, and public sentiment outside of the most labor radical element is unquestionably strongly crystallizing in our favor. Newspapers generally, outside of Denver, some of whom have heretofore taken side of strikers, are condemning recent criticisms of operators and urging miners' organization to call strike off. Two papers from Canon City, located in one of most important mining districts, showing change in attitude, have come to my desk to-day. Mr. Bowers left last night, and I am mailing him copy of your message as well as copy of my reply.

J. F. WELBORN.

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[The Colorado Fuel & Iron Co., Denver, Colo. J. F. Welborn, president.]

JUNE 23, 1914.

MY DEAR MR. MURPHY: I am in receipt of yours of the 19th instant inclosing a clipping from the New York Times, reporting a statement made by J. A. Owenby at Washington last week.

Much of what Owenby said was entirely without foundation, and I can not believe carried any real weight with the President or others in power at Washington. We must admit, however, that the average reader will not be able to determine just how much of what he said to believe, yet I doubt the advisability of taking any public notice of his remarks. He is most unreliable and is so regarded by practically all who know him; in fact, I understand that he is very much discredited by the present members of the firm of J. P. Morgan & Co., although he had some strong influence over the late Mr. Morgan, who was a partner in his coal-mining venture in Colorado.

It is a fact that the policy of the Government with respect to the employment of men by Colorado coal operators is working a very great injury on many of the small operators, and we have been encouraging them to make their appeals for relief direct to Washington. The policy is not pleasing to us, but has not interfered with our operations where we were working a fair force of men before the Federal troops came into the field. If what Owenby said along this line, together with what some of the other operators have reported to Washington, should make it possible for the coal operators to seek laborers generally within the State and outside, it would be helpful to us, and it seems to me that they must come to this before long, though I believe it will be accomplished only through the efforts of the so-called smaller operators.

Yours, very truly,

J. F. WELBORN.

STARR J. MURPHY,  
New York, N. Y.

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AUGUST 1, 1914.

DEAR MR. KING. As you have doubtless learned from the papers, the situation in the coal mines of Colorado is quiet. Practically all of the mines are in operation, the output being 70 or 80 per cent of normal, but quite all that present business conditions will absorb. Practically all of the men who are needed are obtainable. On the other hand, tent colonies are maintained in which some 1,500 or 2,000 strikers still reside. These tent colonies are a constant menace to peace and are only held in subjection by the presence of the Federal troops. If the latter were withdrawn, doubtless these unoccupied men, many of them, we believe, paid by the union to continue the disturbances, would renew active hostilities. I wrote Mr. Welborn, the president of the fuel company, a few days ago, inquiring what the present status was of the various

committees or individuals appointed to undertake to terminate the industrial warfare. A copy of his interesting reply I inclose herewith.

There would seem to be but two ways in which a permanent condition of peace can be restored. First, by the calling off of the strike by the United Mine Workers of America. That this is likely to happen in the near future we have no definite reason to believe, unless the financial resources of the union are so depleted as a result of their industrial conflicts in several States that they can not much longer continue to support the striking miners. Secondly, by developing some organization in the mining camps which will assure to the employees the opportunity for collective bargaining, for easy and constant conferences with reference to any matters of difference or grievance which may come up, and any other advantages which may be derived from membership in the union. When we had our first conference at my house, you remember we discussed this matter and developed certain points which such an organization would include. I am wondering whether you can take the time to dictate, at your convenience, an outline of such an organization and send it to me for consideration. I think we all recognized in the conference above referred to the many difficulties in the way of devising such a plan; at the same time, there were certain points which we agreed upon as essential. An outline covering these essentials and as fully developed as your experience and present thought might make possible is what I have in mind. The purpose of this outline would be to provide a basis for our further consideration of the subject and for our discussion of it with the officers of the Colorado Fuel & Iron Co. While I recognize that after your studies have progressed you will feel yourself much better fitted to outline such an organization, on the other hand, it seems to me that a step of this kind is going to be the next move. This is only my personal opinion. I have not talked with my colleagues or with any of the officers of the Colorado Fuel & Iron Co. about it.

I understand that you are about to start on your western trip and that your time is fully occupied. I shall not expect a carefully studied or carefully rounded plan—simply a rough outline of those points which may occur to you, without extended thought but more as a result of your past experience with questions of this kind. I shall be in New York for the next 10 days or 2 weeks and shall be glad to hear from you at my office address. The accompanying editorial from the New York Times of July 30 is along the line of my suggestion.

Very cordially,

J. D. R., Jr.

HON. W. L. MACKENZIE KING,  
4 Grange Road, Toronto, Canada.

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[The Colorado Fuel & Iron Co., Denver, Colo. Executive department. L. M. Bowers, chairman.]

AUGUST 16, 1914.

DEAR MR. ROCKEFELLER: Mr. Welborn has shown me your letter of recent date in regard to our taking up the question of organizing a board to consider grievances of our miners.

I have also read the copy of Mr. King's letter to you in regard to the same matter, but I will not discuss that, as Mr. Welborn will doubtless take that up and reply to it himself.

I, however, want to state some reasons why this matter should not be taken up at the present time.

As you know, there is not now, nor has there been since the present management assumed control in 1907, any disagreement between our company and its miners.

The strike was not entered into or called by or approved of by our miners but vigorously opposed by them, including the few labor-union miners long in our employ.

This strike does not have in it a single feature usual in coal strikes. The word "satisfaction" could have been put over the entrance to every one of our mines.

The situation was unique and entirely different from ordinary labor troubles, in one and the most important one, in the history of coal strikes, that it was forced upon an unwilling body of men by an organization that the men was not in favor of and would not affiliate with, because they were satisfied and wanted to continue the pleasant relations with the company, both the miners



and the company being prosperous and no differences existed, therefore no board to take up grievances was required or such machinery necessary.

For us to take steps at the moment to form such a board would be regarded by the public as an admission on our part that some such committee or board was lacking prior to the strike and might perhaps have prevented it.

To form such a board now would discount every utterance we have made and insisted upon, that there were no differences whatever and the strike was not forced because of any grievances or differences.

The United Mine Workers of America could and would justly charge us with inconsistency and that we were forced to side-step and at last compelled to admit their repeated charges that the miners had no way to reach the managers with their grievances.

We have known for some time that if we would agree to a joint committee of miners and operators being formed the strike would be called off and without recognition of the union being mentioned. Such a scheme was no longer ago than yesterday passed by the strike leaders here and submitted to the international committee at Indianapolis, who meet there Monday next, who, in turn, are expected to submit it through Mr. Davies, one of the investigating committee, to the operators.

This trick they know would be a recognition of the union and they would shout it over the world that they had won the strike and our men set upon by a horde of organizers and run into the union and followed in a year or two with a strike and the open shop would be shut.

Later on and after the strike is off, or worn out, the writer would favor and take an active part in joint conferences directly with our miners and undertake to form a scheme or plan that would give the miners a representative to whom they could go with any matter that they thought should be adjusted. I mean a board that would have a much wider field than investigating grievances and adjusting quarrels, but who would undertake to prevent quarrels—to suggest ways and means for the betterment of the miners in many ways and help solve the perplexing social conditions and a general uplift board, so to speak.

There has been some cause for complaint, I think, in some coal companies because of the inability of miners to reach the officers higher up with their real or fancied complaints, but this has not been shown to be the case in the C. F. & I. Co. To remedy this would be one of the good features that a board would be expected to develop; they would be the "missing link" between the miner and the managers.

At the proper time the writer will give his cordial support and will take an active part in formulating such a scheme and help to make it valuable to both the miners and the company alike not only to forestall trouble, but to bring about better feelings and conditions for the mutual benefit of all concerned.

To take this up at the moment would be most unwise, in my opinion, from every viewpoint. I feel certain other operators would balk; the socialistic papers would charge us with dodging and hiding behind this eleventh-hour scheme to save our faces. The union leaders would use it as a club to drive us into some other corner.

Our rugged stand has won us every foot we have gained, and we know that the organization is bankrupt in this field, while the big men in the union are at swords' points because of their failure here. So to move an inch from our stand at the time that defeat seems certain for the enemy would be decidedly unwise, in my opinion.

The political gang at Washington are at their wits' end to find some way to get out of the pit they help these leaders to dig, so we are encouraged to stick to the job till we win.

Yours, very truly,

L. M. BOWERS.

Mr. JOHN D. ROCKEFELLER, Jr., *New York.*

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#### SKETCH OF MR. DAVID GRIFFITHS'S ACTIVITIES.

David Griffiths was born at Gly-Heath, Wales, February 1, 1856. He took up coal mining in his native country when 9 years of age. He came to the United States in 1882 and almost immediately to Colorado. He entered the coal mines of the State as a miner, has filled the positions of fire boss, mine boss, mine superintendent, and was State coal-mine inspector from 1895 to

1899. He took the examination for State mine inspector twice, receiving the highest markings ever given anyone in the State, being 99.7 per cent and 99.6 per cent. Mr. Griffith's ready-hand knowledge of the geology of coal deposits in the United States is equal to that of anyone in the West. He has always taken a lively interest in the welfare of his workmen, showing the keenest appreciation of the problems affecting their welfare. He is peculiarly fitted for the work which he is now undertaking, not only because of his broad knowledge of the coal-mining industry, but on account of the unequalled confidence reposed in him, not by the coal miners alone, but by others actively engaged in the coal-mining industry.

26 BROADWAY,  
New York, October 3, 1914.

DEAR MR. WELBORN: I inclose a proof of the Atkinson report, which is about to be issued by the Federal Council of Churches. I have received a notice from the secretary of the council that the proof is being sent to about a dozen persons representing the public and both sides of the controversy in order to give them an opportunity to criticize the report. I have been told, however, that no general comments will be printed, but only evidence submitted in opposition to statements made in the report, such evidence to be incorporated in an appendix.

I have read the report so far as it relates to the Colorado situation and am impressed with its extreme feebleness. It adds absolutely nothing to the discussion, and its only statements unfavorable to the operators are assertions either wholly unsupported or inadequately supported by impressive illustrations.

Will you please communicate to me your decision as to whether it will be best for you to take any notice of the report by correcting the more obvious mistakes? My feeling is that it would be well to correct the more obvious mistakes and to ignore the hostile generalizations.

Very likely a copy of the report has been sent directly to one or more of your associates, but your name was not on the list that was shown to me. Mr. Loughridge was to have a report, and will doubtless bring his copy to you.

Sincerely, yours,

JEROME D. GREENE.

Mr. J. F. WELBORN,  
President Colorado Fuel & Iron Co., Denver, Colo.

[The Colorado Fuel & Iron Co., Denver, Colo. J. F. Welborn, president.]

OCTOBER 28, 1914.

MY DEAR MR. GREENE: I inclose herewith a brief statement in answer to some of the charges contained in Dr. Atkinson's report.

It has seemed absolutely impossible for me to find time to read the report and familiarize myself with the parts that ought to have attention from me, but Mr. Fred Herrington has given it some thought and prepared the inclosed statement.

If you think any parts should be left out, I am perfectly willing that you should rewrite the statement, modifying it as you see fit, and sign my name to it.

I addressed it to no one, for the reason that I did not know to whom it would be sent.

Yours, very truly,

J. F. WELBORN.

Mr. JEROME D. GREENE,  
26 Broadway, New York, N. Y.

[The Colorado Fuel & Iron Co., Denver, Colo. J. F. Welborn, president.]

It will require more space than is allowed me to answer the report of the Rev. Atkinson on the many phases he has attempted to cover. Social and religious, and even political conditions, are subjects upon which honest minds may differ. I shall therefore not enter upon a minute discussion of these phases, but submit to your readers a simple statement of facts which, to my mind, shows that "right conditions of labor" have existed and do exist in our mines. While we make no pretensions to perfect conditions, yet the fact that a great majority of our miners remained at work, a great many have returned to work during



the past year, and more applications are now being made for work by our former employees than we have employment for argues strongly and convincingly that as between the great body of our employees and ourselves there is not now and never has been any serious controversy. Moreover, the circumstances that a number of our employees left our service through fear, or for other reasons, and went into other fields and have returned to us, bears true witness to the claim that we have made—that our wages and our conditions of camp life are equal to, if not better, than those in any other districts in this country.

Rev. Atkinson, under the head of "Concerning wages," says: "It would be unwise to attempt to express my definite judgment as to whether the contentions of the miners or those of the operators are correct"; and under the title of "Conclusions," subhead, "Concerning welfare work": "No amount of welfare work, however admirable it may be in and of itself, will take the place of fair wages and right conditions."

This company has not labeled its efforts in behalf of its miners as welfare work, nor designated such efforts by any other philanthropic term. It has done much, however, in practice toward giving its employees comfortable and healthy conditions, as well as good wages. As I have heretofore expressed myself, I believe that the company could have done less in this respect and given the subject more publicity and met with greater favor in public opinion. There is one question, however, inferentially stated in the above quotation, that I can not permit to go unchallenged, namely, that the earnings of our men are not exactly as we have from time to time published and quoted. This is a matter of simple calculation from our books and records, and not a matter of judgment. Two committees, acting independently, one appointed by the Press Association, of Colorado, and the other by the governor of the State of Colorado, examined the books and accounts of the companies, and reported that the statements put forth by the companies were correct. This information was available to Rev. Atkinson. The report of the governor's committee is found at page 2687, Hearings of Congressional Committee. The Rouse pay roll of the Colorado Fuel & Iron Co. was one which was made the subject of much comment. The governor's auditors reported in the following language:

"By request, we made a careful examination of the pay roll for the Rouse mine for August, 1913, and found the same to agree absolutely with the published pay roll."

The statement of earnings of James Fyler for August, 1913, shows \$50 deducted under heading of "Drafts." This was an advance on his wages before pay day.

Rev. Atkinson says: "The coal companies are determined that their men shall not be organized." Organization, or "recognition of the union," has been the issue and, practically, the sole issue in the strike, but it has been between the U. M. W. of A. and the companies, and not between the companies and their employees. Indeed, our present employees, in a great majority, are outspoken against that organization. We admit that, in so far as it is proper, we will not permit that organization to unionize our employees against their will by the use of the gun and the torch, the arguments employed in this strike.

So many matters have been touched upon by the Rev. Atkinson that have been answered by us in other publications, that we take the liberty of inclosing you our letters to the President of the United States, and our pamphlet of the facts concerning the strike, which, we think, fully answers most of the phases touched upon by the report. In addition, we would respectfully refer you to an article on the subject, prepared by Dr. Berle, appearing in the October number of *Bibliotheca Sacra*, and one by Prof. Seligman in *Leslie's Weekly*.

Yours, truly,

J. F. WELBORN.

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[The Colorado Fuel & Iron Co., Denver, Colo. J. F. Welborn, president.]

DECEMBER 11, 1914.

MY DEAR MR. ROCKEFELLER: The feeling of satisfaction on the part of all of us over the calling off of the strike is by no means small.

It is unfortunate that trade conditions make it impossible for us to reemploy in the near future, if at any time during this season, all of our former employees who have not participated in the violence against those who have remained at work.

Out of the 22 mines that under normal conditions and for many years have worked steadily during the fall and winter, we have only 15 now in operation.

These 15 properties are working 4,000 men, or about the same number as they employed before the strike. This force represents approximately 70 per cent of the number employed at our 22 mines before the strike was called. Because of light business we are unable to keep the 15 mines working steadily.

The shifting about that is common among coal-mine workmen will make it possible to reemploy a few of the old men from time to time, and we will strain a point to give employment to those whose needs are most pressing.

Our mine superintendents have been instructed to keep a complete record of applicants for work, taking into account the extent of their families and others dependent upon them, and preference will be given to those whose employment will result in the greatest good to the greatest number.

Yesterday three of our former employees applied at the Rouse mine for work, and although every working place in the mine was full, the superintendent devoted most of his day to rearranging his forces so as to start these men to work.

The future must be very discouraging to the strikers who have remained in the State and have now been set adrift at a time when most of the winter is before them, and when the prospect for employment is so poor.

It is hardly probable that relief by the labor organization will be continued for any considerable length of time, if at all, even to the most needy. And if those who have willingly accepted the teachings of lawlessness and defiance of the rights of others, together with men who never worked in our properties and who were brought in here for the purpose of engaging in the violence, remain, they may wreak their vengeance, if opportunity offers, on the men whose only offense has been that they have remained at work.

I don't mean to paint a gloomy outlook; but I can not believe that the strike leaders who have directed the vicious lawlessness, and their willing followers, will change in spirit merely through the calling off of the strike.

We have been having a seasonable winter for a few days, and if it continues very long it will stimulate the coal trade. Yet the dullness in the steel business, which has caused a reduction of about 50,000 tons per month in our use of coal at the steel plant, and the greatly reduced consumption of locomotive coal by railroads, will, I fear, make it impossible for us to reopen any more mines this season.

Yours, very truly,

J. F. WELBORN.

Mr. JOHN D. ROCKEFELLER, Jr.,  
New York, N. Y.

26 BROADWAY,  
New York, December 15, 1914.

DEAR MR. WELBORN: Your letter of December 11 is received. In view of the great loss which has been suffered by the State of Colorado, the miners, the unions, and the operators, it is a source of profound gratification to all involved that the strike has been called off. At the same time we greatly deplore the fact that trade conditions are so slack, owing to the war and the general business depression, that it is impossible to find work for more than a few, if any, of our former employees at this time. We can only hope that conditions will change at an early date. In the meantime, your instructions to give the preference to men with families and others dependent upon them, so as to reduce in so far as possible the hardship resulting from the lack of work, indicate an earnest desire on the part of the officers of the company, cordially seconded by the stockholders, that the law-abiding employees who went out on strike be given the utmost consideration.

Very, truly,

JOHN D. ROCKEFELLER, Jr.

Mr. J. F. WELBORN,  
President Colorado Fuel & Iron Co., Denver, Colo.

STATEMENT BY J. F. WELBORN.

DECEMBER 17, 1914.

In my letter of August 20, 1914, to Mr. John D. Rockefeller, Jr., in connection with a suggestion of W. L. Mackenzie King, the contents of both of which have been made public through the hearings of the Commission on Industrial Rela-



tions, I referred to plans then under consideration of providing a method (more systematic than heretofore in use) by which our workmen could reach the higher officers of the company on matters in which they were concerned.

I made further reference to the plan in my letter of September 18, 1914, to the President.

The selection of Mr. David Griffiths for the extension and direction of the plan puts it into systematic operation, and we are sure will meet the requirements in the situation where representation by committee has not been requested. Mr. Griffiths is peculiarly fitted for this work, over which he will have complete charge. The extent to which he enjoys the confidence of the men will make him their natural representative in any differences that they may have with the foremen under whom they work. If he succeeds in inducing the men to select their own checkweighman, as we earnestly hope he will, that will give them another representative.

THE COLORADO FUEL & IRON CO.,  
Denver, Colo., December 15, 1914.

*To our employees:*

Mr. David Griffiths has been assigned to the duty of extending and directing the work of cooperation and general welfare among our employees.

He will take up his work immediately and spend practically all of his time at the mines investigating and adjusting complaints.

As he is well known to all of you, he needs no introduction, and I know he will receive the active cooperation of everyone connected with the company.

J. F. WELBORN, *President.*

[The Colorado Fuel & Iron Co., Denver, Colo. J. F. Welborn, president.]

DECEMBER 18, 1914.

MY DEAR MR. ROCKEFELLER: Since writing you on August 20, 1914, in answer to your letter of August 11, with which you inclosed a copy of Mr. W. L. Mackenzie King's suggestions, we have been actively at work perfecting our plans to provide an easy means by which our employees could present their suggestions or grievances, if they had any, to officers of the company who would see that they received proper consideration.

Now, that the strike is over and the chance for misinterpretation of our motive is to some extent removed, we are putting into systematic operation the plan embodying the results of our experience, and Mr. King's suggestions as far as seemed practicable.

As will be noticed by the circulars inclosed, the plan is designated as the work of cooperation and general welfare, and has been placed under the direction of Mr. David Griffiths, a man peculiarly fitted for the work.

Through our investigation among the camps, we have found that general satisfaction still exists and that there is no demand, and apparently no desire, on the part of the men that they should have what is termed a grievance committee.

Occasionally some man will say that the doctor has not treated him right. Another will have some complaint of the treatment at the store. And some will think that they should have better working places in the mines. But these are nothing more than isolated cases, and the sentiment of the men seems to me that they do not want a committee for whose activities in handling complaints they would have to pay (according to general practice) a larger figure than the same men would earn while at work about the mines. They are, also, in the main, opposed to paying the small sum that would be necessary in order to provide their own checkweighmen.

Three workmen have been in my office in the last few weeks. One of them, a miner, came to ask me if we would provide a place in which to keep an automobile that he had bought. The other two had been called before the Commission on Industrial Relations by a special agent of that commission, and after testifying, came of their own volition, and not by request, to see me.

All these men took occasion to say, without questioning, that they were earning good wages and were satisfied with their condition.

One of them who was quite talkative volunteered the information that if he had a complaint and the superintendent would not adjust it he would go to the officer next in authority, and finally to me if he did not secure satisfaction earlier. I assured him that he should do just as he said he would.

All of these men said they did not want a checkweighman; that they felt they were receiving full credit for the coal they mined; and they did not want to pay 50 cents or \$1 per month to employ a man of their own.

I am referring to these instances for the reason that they fairly represent the character of discussions that, in the main, take place between the workmen and the department officers of the company visiting the mines.

From another man, an Italian, I received a complaint not long ago of unfair treatment. The investigation of this complaint developed the fact that the man had worked in three different places within the past few months, and made four distinct complaints about his working conditions. The places about which he complained were readily taken by others, who made very good wages in them. This man's last complaint was made about a working place in our Morley mine. By some rearrangement in an effort to satisfy him, the division superintendent, together with the mine superintendent and the underground foreman, found two other places in either one of which they would allow him to work—giving him his choice of the three. All were good places and all anxiously sought by other workmen, but this man declined to take either or to remain at the mine. The facts are that he was a chronic complainer and would probably never be satisfied in any place.

This instance is mentioned to show the extent to which our superintendents go at a time when workmen are most plentiful to satisfy the men in our employ.

These cases, with a few others that have come under my personal observation, and the reports from four or five of our men in the fuel department, working in a general capacity that gives them access to all the mines, convince me that the plans consummated, which will be under the personal direction of Mr. Griffiths, will more than meet the requirements of the men, and when fully placed before the public ought to satisfy it.

If anyone can induce our workmen to select checkweighmen, Mr. Griffiths is that man; and if he succeeds in this purpose, which we earnestly hope he will, their checkweighmen will be the natural personal representatives of the other workmen. Mr. Griffiths will himself be their representative in any differences that arise between the workmen and either the superintendent, the doctor, or the store. He is probably better known to coal miners in the State than any other man and enjoys their confidence to a degree not equaled by that of any other man in the State. He has always been the friend of the mine workers, and will stand out for them and their interests. At the same time, he will usually be able to correct the impression of the worker whose grievance is only imaginary.

We are establishing clubhouses at several of the camps, not only at places that have heretofore had saloons but at many other mines. We are providing, and to some extent equipping, the club buildings. The men will form their own club organization at each camp and operate it with men of their own selection.

Knowing your deep interest in the work here outlined and being uncertain as to when I will be able to see you, I have written you at some length. After the work in its present form is more actively under way I shall take the first opportunity of discussing it with you and your associates.

Yours, very truly,

J. F. WELBORN.

Mr. JOHN D. ROCKEFELLER, Jr.,  
26 Broadway, New York, N. Y.

DECEMBER 30, 1914.

DEAR MR. WELBORN: It was a great pleasure to us that Mr. Herrington was able to stay in New York for some days. I thoroughly enjoyed coming to know him more intimately and the opportunity for a number of leisurely talks with reference to Colorado interests. At my request, he will tell you more fully than I could write of a number of things which we talked over.

I am inclosing for your information copy of a letter prepared by the commission, of which Mr. Low is chairman, appointed by the President to help bring about, if possible, better relations between the coal operators and the coal miners of Colorado, which letter I read to Mr. Herrington but retained to have copies made. The commission is disposed to send this letter to the president of each of the mining companies in Colorado. I have told Mr. Low that the spirit in which the letter is written seemed to me well calculated to assure the operators of the friendly and helpful disposition of the commission.



In due course, together with the other operators, you will receive this letter from the commission. It occurred to me that the accompanying memorandum might contain points which would be suggestive to you in making your reply.

Our feeling here is that, the strike having been terminated, it will be the wish of all those connected with the fuel company to introduce as rapidly as may seem expedient the various progressive steps in such a plan as your further thought will suggest, looking toward the prevention of a possible recurrence at any time in the future of the disorder and loss on every hand which has resulted from the recent strike. At my request Mr. Herrington told me of the tentative plan which you and he had considered, and in our several conferences I undertook to develop the idea with him more fully. We believe that the adoption of some such plan as this will be in the interest of the employees of the fuel company and of the stockholders; that it will reflect credit upon the president of the company; that it will insure the cordial and hearty good will of the employees; and that it will win for the company many friends, both in the West and in the East, among business men and State and Government officials. Its adoption would only be in line with the position which you took in your letter to me of last August, written after the receipt of my letter accompanied by certain suggestions of a plan for cooperation. I believe that after it has become effective it will render increasingly easy your work in the management of the company. At the same time I believe that you share with us the desire to show all deference and courtesy to the President's commission, and our feeling that their approval of your plans and, if necessary, their cooperation will help materially in securing the approval not only of the administration but of the public at large.

Very sincerely,

JOHN D. ROCKEFELLER, JR.

Mr. J. F. WELBORN,

*President Colorado Fuel & Iron Co., Denver, Colo.*

[Telegram.]

DENVER, COLO., December 24, 1914.

JOHN D. ROCKEFELLER, JR.,

*26 Broadway, New York City:*

Press reports of distress among families of strikers practically without foundation, both as to their condition and number of children in families. Thorough canvass made of southern Colorado shows but 15 families in Ludlow, none of which are in want. Smaller numbers in other tent colonies. Small number at points other than Ludlow were short of shoes and clothing, and their wants supplied by coal companies for whom heads of families formerly worked. Superintendents and store managers at our idle mines where former employees are living have been instructed to see that no suffering occurs. At Starkville no workingmen are living in their own houses, and have been given permission to mine coal for their wants. In accordance with our usual custom, we have distributed presents of candy and other articles to all children in our camps, numbering about 3,000, which include those of former strikers.

J. F. WELBORN.

[The Colorado Fuel & Iron Co., Denver, Colo. - J. F. Welborn, president.]

APRIL 5, 1915.

MY DEAR MR. ROCKEFELLER: On March 1 Mr. Heydt wrote me asking that certain information regarding the Colorado Industrial Co. and the Colorado Supply Co. be furnished in order that you might be able to answer questions with respect to these companies asked by the Commission on Industrial Relations.

The Colorado Industrial Co. was organized in August, 1904, in connection with the refinancing of the Colorado Fuel & Iron Co. Its capital stock of \$20,000 was owned entirely by the Colorado Fuel & Iron Co. Its property consisted of coal lands, iron lands, and stocks and bonds of the Colorado & Wyoming Railway Co. and the Crystal River Railroad Co., the railroads associated with the Colorado Fuel & Iron Co.

In June, 1913, the Colorado Industrial Co. was merged with the Colorado Fuel & Iron Co. and ceased its corporate existence.

The Colorado Supply Co. is engaged in general merchandising business, having wholesale and retail stores in Pueblo and Trinidad and retail stores at

mining camps of the C. F. & I. Co. Its authorized capital is \$1,000,000, of which \$676,600 is outstanding. None of the stock was ever owned by the Colorado Industrial Co. All of it is and has for some years been owned by the Colorado Fuel & Iron Co.

Yours, very truly,

J. F. WELBORN.

Mr. JOHN D. ROCKEFELLER, JR.,  
New York, N. Y.

ROCKEFELLER, JR., EXHIBIT NO. 3.

THE ROXBOROUGH,  
Ottawa, August 6, 1914.

DEAR MR. ROCKEFELLER: As stated in my wire to you, I did not receive your letter of August 1 until the late mail on Thursday, the 4th. The announcement of the declaration of war between Britain and Germany came a few hours later. Pressing duties arising out of this exceptional circumstance made it impossible for me to get off a letter to you yesterday, as I had hoped, and may necessitate this letter being less in detail than I should like. However, please do not hesitate to write or wire me on any point and do not hesitate to suggest my coming to New York to see you if you should desire this. I shall be quite frank in stating if it is impossible to get away for 48 hours. Just now I am with Sir Wilfrid most of the time, as this seems to afford an opportunity of service greater than any other which it is possible for me to hope to render in the present crisis.

The western trip has been called off owing to the war, and, as you may have noticed, the Canadian Parliament has been called for a special session to open a week from Tuesday. It is hardly probable that this session will last any length of time, but while it is on and until there is something decisive in the European situation I almost feel that I owe it to my country to stay here and be available in contingencies that may arise. Under these circumstances I am inclined at this time of writing to feel that notwithstanding the cancellation of the western trip you will think I am taking the right course if I hold to the original intention of not giving my time wholly to the work of the foundation until about October 1, as originally planned. On the other hand, the cancellation of the western trip makes possible an earlier announcement of my association with the foundation, if any useful purpose might be served by this. If in the interests of the foundation it would seem desirable to make the announcement in the near future, I should be glad to confer with Mr. Greene, Mr. Murphy, or yourself as to the time and form in which it could best be made, having regard to the work itself.

Coming to the Colorado situation, I agree with you in believing it to be extremely unlikely that the United Mine Workers of America will call off the strike. They might be willing to drop open active support by degrees, but I am inclined to think that where recognition has been the principle for which they have been fighting they will not openly abandon the struggle with anything short of what they may be able to construe as such.

It may be, however, that organized labor in the United States will realize the opportunities and handicaps likely to come to certain industries through the changed conditions of Europe and will be prepared to cease hostilities where industrial strife at present exists in order that on the one hand labor may reap with capital a fuller measure of the harvest or, in industries that may be differently affected, protect itself against consequences that are certain to arise. I fear that the view likely to be taken by some of the leaders may at the outset be the shortsighted one of endeavoring to persuade their followers that the opportunities which may come to American capital through the crippled condition of industries elsewhere will induce a recognition which under less favorable circumstances might not be granted. This is almost certain to be the immediate effect, and I think you are wise, therefore, in dismissing altogether from your mind the possibility of the United Mine Workers calling off the present strike, even if, under any circumstances short of recognition, they would be likely so to do. It will not be very long, however, before the inevitable effects of the European war on American labor conditions are certain to make themselves felt, both because of the scarcity of capital available for investment and the crippled condition of industry on the other side, and once this becomes



apparent the unions will have to revise considerably some of their present policies.

Having regard to the more cordial relations between labor and capital, which it is hoped the foundation may be able to effect, it would be fortunate, indeed, if you could, out of the changed conditions which this European war is certain to produce, find a means of restoring industrial peace in the United States in industries, such as coal and fuel, where there is a certainty of a direct bearing. It may be that among those who are embarrassing the situation in Colorado there are many foreigners who may feel compelled to return to Europe, and that may prove an immediate factor of importance. Looking at the ultimate rather than the immediate effect, there is, speaking generally, going to be a large amount of unemployment as a consequence of this war, and once the war is over thousands of men and their families in the Old World are going to seek future employment here in the New. In certain industries it is going to be easy for employers to find all the labor they desire, and unions will be confronted with a new problem. Recognition, simply for the sake of recognition, is going to be seen to be less pressing as an immediate end than that of maintaining standards already existing, and may rightly come to regard as their friends and allies companies and corporations large enough and fair enough to desire to maintain these standards of their own accord. For the unions to take a different view will certainly mean to lose the substance of fair conditions while wasting resources in fighting for the shadow of recognition. Here, it seems to me, lies a possible avenue of approach toward restoring normal conditions in Colorado.

The possibilities here set forth might be pointed out by employers in a perfectly frank and open manner. It might be said with equal frankness that were it desired to profit by such a situation, employers may seek later to enforce individual agreements with all men desiring to enter their employ; may even consider, as some doubtless will, altering conditions of employment to their supposed immediate advantage. Between the extreme of individual agreements on the one side, and an agreement involving recognition of unions of national and international character on the other, lies the straight acceptance of the principle of collective bargaining between capital and labor immediately concerned in any certain industry or group of industries, and the construction of machinery which will afford opportunity of easy and constant conference between employers and employed with reference to matters of concern to both, such machinery to be avowedly constructed as a means on the one hand of preventing labor from being exploited, and on the other, of insuring that cordial cooperation which is likely to further industrial efficiency.

Granting the acceptance of the principle outlined, the machinery to be devised should aim primarily at securing a maximum of publicity with a minimum of interference in all that pertains to conditions of employment. By this I mean that the hope of establishing confidence between employers and employed will lie more in a known willingness on the part of each to confer frankly with the other than in anything else. Similarly, the avoidance of friction, likely to lead to subsequent strife, is likely to be minimized by agencies which will discontinue the existence of irritation and its cause at or near inception; trouble most frequently follows where ill feeling is allowed to develop, unknown or unheeded.

A board, on which both employers and employed are represented, and before which at stated intervals questions affecting conditions of employment can be discussed and grievances examined, would appear to constitute the necessary basis of such machinery. The size of this board, and whether there should be one or many such boards, would depend upon the numbers employed and the nature of the industry, and whether or not the work is carried on in one or several localities. Where, for example, there are different mines, or refining plants as well as mines, it might be that boards pertaining to each individual concern might be combined with a provision for reference to a joint board covering the whole industry, or group of industries, to which matters not settled by smaller boards might be taken for further discussion and adjustment.

In determining the character of representation on such boards, broadly speaking, a line might be drawn between those who are "paid salaries" on the one hand, and those who "earn wages" on the other. This is very rough and very general, for there are in some industries a class of petty bosses whose interests may appear to identify them more closely with wage earners than with salaried officials, but, broadly speaking, men who have authority to give orders and to direct operations fall into the salaried class, while men who have no authority to direct others, and whose own work is subject wholly to

direction, fall into the category of wage earners. The selection of representatives on such boards should be made at a meeting or meetings of employees called expressly for the purpose. It might be left optional for the employees to say whether they desired a permanent form of organization of which their representatives on a board would be the officers, or whether they would prefer the selection of individuals at stated periods, without reference to any permanent form of organization. It could also be left optional with the workers themselves to say whether they wished to allow representatives so chosen a salary in payment of their services, or whether such services would have to be voluntary. A company might, with propriety, offer to provide a place of meeting for the boards, and possibly go the length of supplying the employees with permanent office accommodation for their representatives, leaving it, however, to the employees themselves to provide whatever might be necessary in the way of salaries and expenses in the keeping up of such offices.

It would not appear desirable at the outset that these boards should have anything to do with benefit features. They should not be framed with a view of restricting through possible benefits the liberty of any man as respects the continuance of his employment, but should aim primarily at affording a guaranty of fair play in determining, in the first instance, the conditions under which men would be obliged to work and the remuneration to be paid, and secondly, the carrying out of these conditions in a spirit of fair play.

One thing to be especially aimed at in the construction of such boards would be the making virtually certain of the possibility of grievances or conditions complained of being made known to and subject to the review of persons in authority over and above the parties immediately concerned, where the parties fail to adjust these differences between themselves; this to be carried even to the point that directors, if need be, should have, where the numbers to be affected are likely to justify it, a knowledge of the situation and power to pass upon it. This feature will probably not appeal to pit bosses and managers who may desire absolute authority. On the other hand, I am convinced it should be possible to so frame a constitution for these boards that the possibility of this review would in no way interfere with discipline, but would be a material assistance rather than a handicap to those who are charged with responsibility.

What might be expected of boards of this kind would be that employees before taking up any question with the officers of the company would try to adjust or settle it among themselves. Failing adjustment in this manner, differences and difficulties would be presented to the officers of the company, not by the individuals immediately affected, but by the duly constituted representatives chosen to safeguard the interests of all. Having had a preliminary sifting in this manner, cases could be brought before a committee of the board or before the whole board in any one industry for adjustment. If it should be found that an individual board could not definitely determine a matter of importance, there might be brought a further appeal on stated conditions to a board chosen to represent the industry as a whole, or a group of allied industries, the purposes here being to get away, to a degree, for purposes of adjustment, from the parties immediately concerned, but not wholly away from parties likely to be ultimately affected. This would make it an essential that all members of such boards, excepting, possibly, persons chosen as chairmen, referees, or umpires, should be persons actually employed in the industry or connected with it in some way, not persons chosen from outside. It should be possible, however, for workmen to select one or more of their number, who could give their entire time to acting in a representative capacity, and pay them a salary pending their acting in such capacity.

I think, in a very rough way, this covers the points mentioned in our conversation. I really hesitate to send this letter in such rough outline and without care in preparation. I believe so strongly in never advising in regard to any situation until one has made oneself familiar with all its phases that I feel I am running a great risk in even setting forth what this letter contains, as there may be conditions or reasons which will render its suggestions wholly inapplicable to some of the industries with reference to which consideration is invited. I should mention, too, that in the course of the present dictation I have been subject to constant interruptions, and, in fact, have had to pick up this letter and drop it half a dozen times before reaching this point, all of which is most unsatisfactory in a matter so important. I understand, however, from your letter that for the moment you are agreeable to accepting a very rough outline, the purpose being mainly that of enabling persons immediately concerned with the industries to consider possibilities and limitations of the sug-



gestions made, in order that these may be taken account of in the working out of some definite plan when the same may come up for consideration.

With this understanding I am agreeable to letting this letter go forward. Without it I should hesitate, without opportunity of mature consideration, to attempt to give concrete expression to views which are clear in my own mind, but which, without knowledge of the conditions to which they are to apply, I find the greatest difficulty in seeking to convey.

Yours, sincerely,

W. L. MACKENZIE KING.

JOHN D. ROCKEFELLER, Jr., Esq.,

*The Rockefeller Foundation, 26 Broadway, New York.*

P. S.—I might mention that the best address to which to write or telegraph me is The Roxborough, Ottawa, this being my place of residence. The Toronto address, 4 Grange Road, is that of my father's residence, at which I stay whenever in Toronto.

### ROCKEFELLER, JR., EXHIBIT NO. 4.

*The Colorado Fuel & Iron Co.—Combined income account for 11 years, July 1, 1902, to June 30, 1913.*

			Per cent.
Gross earnings from operations.....		\$230,836,004.07	100.000
As per annual reports.....	\$227,610,349.87		
Add from operations of C. I. Co. properties Nov. 12, 1903-July 1, 1904.....	3,225,654.20		
Operating and miscellaneous expenses.....		205,606,374.02	89.070
Wages <sup>1</sup> .....	88,750,000.00		38.447
Expenses.....	116,856,374.02		50.623
Net earnings.....		25,229,630.05	10.930
Deductions from net earnings, taxes.....		1,990,637.19	.862
Net corporate income.....		23,238,942.86	10.068
Deductions from net corporate income:			
Interest on bonds.....	20,411,529.13		8.842
Less interest received on securities owned.....	4,331,148.62		1.876
	16,080,380.51		6.966
Less interest and exchange received.....	796,999.71		.345
		15,283,390.80	6.621
Surplus after fixed charges and taxes.....		7,955,552.06	3.447
Disposition of surplus:			
Sinking funds.....	1,114,023.03		.483
Renewal of equipment.....	1,692,929.33		.733
Dividends on preferred stock.....	930,000.00		.416
		3,766,952.36	1.632
Balance credited to profit and loss.....		4,188,599.70	1.815
Add sale of Rocky Mountain Timber Co. stock.....		15,000.00	.006
Add previous net surplus, June 30, 1902.....		528,640.81	.229
Profit and loss surplus, June 30, 1913.....		4,732,240.51	2.050

<sup>1</sup> In addition to above wages, there was paid to employees of subsidiary companies \$6,563,000. The earnings of said companies included in C. F. & I. Co. earnings.

### CUTTING EXHIBIT.

BUREAU OF MUNICIPAL RESEARCH,  
*New York, January 28, 1915.*

HON. FRANK WALSH,

*Chairman Industrial Relations Commission, New York City.*

DEAR SIR: I send you herewith report<sup>1</sup> of the Denver survey, which deals with Judge Lindsey's court.

<sup>1</sup> The Report on a Survey of the Department of Finance and Sundry Commissions and Offices Not Under Departmental Jurisdiction, etc., prepared for the Colorado Taxpayers' Protective League by the Bureau of Municipal Research, New York, August, 1914, was submitted in printed form.

Let me say that it is the invariable practice of the bureau of municipal research to submit to the chief official of any department into which it inquires the draft of its report before it is shown to anybody else. This practice was followed with Judge Lindsey. He was in New York, and he and his wife lunched at the City Club with one of the bureau staff. The report was read to him at the luncheon and he pronounced it "very fair." As he made no further comments upon it, it was published as read to him.

I inclose also copy of a letter written by the judge to one of our staff who was working in Denver while the investigation was going on. It certainly does not read like the letter of a persecuted man.

Very truly, yours,

R. FULTON CUTTING.

MAY 8, 1914.

Mr. C. J. DRISCOLL,

*Care Bureau of Municipal Research, New York City, N. Y.*

MY DEAR DRISCOLL: I hope, my dear fellow, that I am not terrorizing you by the inclosed statements. I know, after your experiences in Denver, you are beyond any such possibility, but after our very delightful and interesting visits and conference the night before you left the city, I concluded to-day that certainly you would not be offended, and if I may appeal to a somewhat different consideration from that of your official capacity, which I do not wish to impose upon, you might agree it might be wise for my own protection in view of what you must know has been the terrific and bitter community struggle here, to send you such a statement as that I inclose, and which, I hope, you will continue to show me such honor and courtesy as you have shown, to read, trusting again to a continuation of the patience you must have needed through your rather trying experiences here in Denver, especially so far as my own poor self and court are concerned.

While I did not get to read the text of your report, I do want you to know that I appreciated more than I can tell you your kindly suggestion that you should make it perfectly clear that the matters you found to criticize or recommend or suggest would be so presented as to give the enemy no unjust or unfair handle to draw improper inferences therefrom, especially the kind that you know they are so anxious to draw, which might reflect upon my integrity and the good name that is about all I have left after 15 years of struggle against the evils of a community life in a modern American city.

I may send the copies of the letters referred to under separate cover. We are in the midst of a jury term and under a possible suggestion of yours that may automatically and surely lead to bankruptcy in the case of any man who undertakes to fight for a city. I am having an outside stenographer copy these letters, as I have had much of such copying done at my own expense, even though it would seem to be in line with the work that has come here because of the fact that I had been fortunate or unfortunate enough to be returned to this court by the people 10 times within 12 years. I am sure you know that I do not wish to do anything contrary to propriety or that might be offensive, but it occurred to me that I might want to send a copy of this letter to you to the committee to whom you report. If I should, I am assuming that you would not object—if you do let me know; that is, the formal letter, addressed to Mr. Driscoll of the committee, and not, of course, this informal letter, addressed to Mr. Driscoll, whom I have had such a pleasure in meeting personally as well as in your official capacity.

With kindest regards and all good wishes, I am,

Sincerely, yours,

BEN B. LINDSEY.

When will your reports be available for inspection?

### GREENE EXHIBIT.

[Supplementary information desired from Rockefeller Foundation by the United States Commission on Industrial Relations.]

JANUARY 23, 1915.

1. Complete list of the gifts made by the Rockefeller Foundation to January 15, 1915. If quite as easy, please give the gifts up to and including January 23, 1915.



Answer. A complete list is furnished herewith. (See Exhibit A.)

2. As part of Exhibit D, sent in your communication of January 7, appears the statement, "The Rockefeller Foundation has determined to exert itself to the extent, if necessary, of millions of dollars for the relief of noncombatants in the various countries involved." Later, in connection with the foundation's work for Belgium relief, a statement was made that, "The Rockefeller Foundation will bear the expense of ocean transportation of all supplies thus furnished to the European port most accessible to Belgium."

(a) Has the foundation offered to pay the expense of transportation to other than Belgian ports?

Answer. The foundation has thus far not committed itself to the purchase of supplies for any part of Europe other than Belgium. Supplies for Belgium have thus far been delivered through Rotterdam. Subsequent to the Rockefeller Foundation's offer and the actual chartering and dispatching of vessels in accordance therewith the international commission for relief in Belgium has offered to reimburse the foundation for all transportation charges, thus making the foundation's funds wholly available for the purchase of supplies.

(b) State the extent to which the foundation has afforded relief to other than Belgian sufferers.

Answer. Answered under (a).

(c) Is the foundation bearing other administrative expenses?

Answer. The foundation is bearing the expense of maintaining an office at 10 Bridge Street for the executive work necessary in connection with the purchase of supplies and the chartering and loading of vessels in cooperation with the Belgian relief committee of New York. As the foundation has been relieved of expenses connected with transportation, this office will be closed on February 6.

(d) Please enumerate or explain the foundation's relations with the different committees of this country which are working for relief of noncombatants.

Answer. The relation of the Rockefeller Foundation with other agencies for relief was indicated by the announcement signed jointly by Mr. Robert W. de Forest and Mr. John D. Rockefeller, jr., as printed on pages 80 and 81 of the printed pamphlet furnished by the foundation in response to previous questionnaires. Since that arrangement was put into effect the American branch of the commission for relief in Belgium has perfected an organization for the assembling of supplies and the chartering and loading of vessels so that any further contributions made by the Rockefeller Foundation will, if possible, utilize the facilities thus provided.

(e) Is it premature to summarize the consideration which the foundation's release of January 1 said would be given to "other aspects of war relief in Europe"?

Answer. One of the duties of the war relief commission sent to Europe was to obtain, so far as it found possible, a perspective view of the need in different parts of Europe and the practicability of meeting that need. Thus far the committee's reports have been limited to Belgium, although the commission is known to have visited Poland and to have conferred with various agencies as to the possibility of rendering aid in that region.

(f) What effect has the activity of the foundation had upon giving to war sufferers by private citizens?

Answer. That the activity of the foundation in accordance with its terms of cooperation with the Belgian relief committee stimulated gifts from other sources was indicated by the rapid increase in money donated to the Belgian relief committee of New York.

(g) Please submit copies of the reports sent to the foundation by the commission which was sent to Europe to investigate methods of distributing, etc.

Answer. The only report thus far received deals with conditions in Belgium. It treats very fully of the conditions found, including the extent of need, the organization for distribution, and the methods of financing followed by the Belgian authorities. The report deals with international relations of such a character that the foundation does not feel at liberty to release the report as a whole, but it will be held at the disposal of the Department of State.

(h) How many meetings has the full board of the foundation held for considering war relief?

Answer. The only meetings of the full board of the Rockefeller Foundation held since the beginning of the war were those of October 21, 1914, and November 5, 1914, at both of which war relief was discussed. The attendance at these meetings is shown on page 54 of the pamphlet containing the answers to the questionnaires.

(i) How many were present at each meeting?

Answer. It will be seen that all of the members were present at both meetings, except Mr. John D. Rockefeller, sr.

(j) How many meetings of the executive committee have been held for considering war relief?

Answer. The matter of war relief was considered at the meeting of the executive committee on October 21, 1914, but was the subject of constant discussion among the members of the executive committee at all of its meetings and between its meetings, the whole matter being referred to the executive committee at the meeting of the full board on October 21 and by that committee to a subcommittee consisting of Messrs. Murphy and Greene.

(k) How many were present at each meeting?

Answer. All of the members of the committee were present.

(l) Will you submit such estimates as the foundation has prepared as to the total amount of relief which will be needed on various assumptions, as that the war will last two months, six months, one year?

Answer. No such estimates have been prepared.

(m) Did negotiations between the Rockefeller Foundation and the Belgian relief committee initiate with the committee or with the foundation?

Answer. The plan of cooperation was suggested by the secretary of the Rockefeller Foundation for the purpose of coordinating effort and preventing the entrance of the Rockefeller Foundation into the relief work from diminishing the amount of aid that would be given from other sources.

(n) What steps has the foundation, as such, taken to ascertain whether and in what ways interest in war relief has affected public interest in relief of the needy in the United States and attention to unemployment in the United States?

Answer. The foundation was made aware, by the many appeals for gifts to local and other domestic charities whose funds were reduced on account of prevailing conditions, of the great need for continued or enlarged donations at home in addition to the gifts for war relief.

(o) What are the results of such study?

Answer. The foundation has made special appropriations for local and domestic needs on the grounds just stated.

3. Regarding applications in the interest of different proposals for studying and improving labor conditions:

(a) Will it be practicable to summarize for a period of five years the applications received by Mr. Rockefeller personally before the establishment of the foundation in the interest of proposals for studying or improving labor conditions, showing number of applicants, character of work and amounts of money involved and the action with regard to it?

Answer. No such applications appear to have been received, with the single exception noted on page 36 of our pamphlet of answers to the questionnaires.

(b) If application involve the training of teachers in vocational and industrial instruction, would these be taken up by the foundation or referred to the General Education Board.

Answer. Applications involving the training of teachers in vocational or industrial instruction would probably be referred to the General Education Board, but the projects themselves, if important, would doubtless also find a place in the "chart" of industrial relations now being prepared by Mr. King.

(c) Will you have prepared, re the staffs of Mr. Rockefeller and the different foundations established by him, a chart which will show graphically the inter-relations, e. g., trustees serving on more than one board, officers acting for more than one board, employees and investigators employed in common?

Answer. The chart<sup>1</sup> requested is submitted herewith (Exhibit B). It shows the membership of all the boards. The only officers employed by more than one board are those mentioned on page 31 of the answers to the questionnaires, and in addition two clerks.

4. Regarding the publicity matter furnished in the exhibits to your letter of January 7:

(a) Were copies of the releases sent to all of the trustees in advance of issuance to the press?

Answer. It would not be possible to state exactly what members of the foundation saw and what members did not see these releases before publication. The nonresident members certainly did not see them, the issue of such

<sup>1</sup> Not printed.



material being entirely within the discretion of the executive officers. The releases were prepared by joint conferences of members of the executive committee, with collaboration of Mr. Ivy Lee.

(b) If not, which members did not receive copies in advance of publication?

Answer. Answered under (a).

(c) Did each member of the executive committee receive copies before publication?

Answer. Answered under (a).

(d) If not, which members did not receive copies in advance of publication?

Answer. Answered under (a).

(e) Did Mr. Ivy Lee prepare the releases?

Answer. Answered under (a).

(f) In a case where service of this kind is rendered by a member of Mr. Rockefeller's personal staff, is a charge made against the foundation's funds for such service, either directly or through an overhead charge? Please explain.

Answer. No such charge is made.

5. Regarding the incorporation of the foundation:

(a) Was the foundation represented at Albany? If so, by whom?

Answer. By Jerome D. Greene, at that time general manager of the Rockefeller Institute for Medical Research.

(b) Who introduced the bill in the senate? Why was he selected?

Answer. Senator Foley. Mr. Greene consulted with the majority and minority leaders of both houses and was advised that Senator Foley would be a suitable person to introduce the bill.

(c) Who introduced the bill in the house? Was his interest enlisted through personal interview or by correspondence?

Answer. The bill was introduced in the assembly by Mr. \_\_\_\_\_ at the request of Senator Foley, and with the cognizance of the various leaders.

(d) What representative of Mr. Rockefeller appeared in person before the legislature or committee of the legislature?

Answer. Mr. Greene was the only representative of Mr. Rockefeller who acted in the matter. He expressed his readiness to appear before a committee if a hearing were granted, or to circularize the members of the senate and assembly; but in view of the fact that all party leaders were agreed in favoring the bill and no opposition was indicated in any quarter, these steps were not considered necessary.

(e) At how many committee meetings was the bill considered?

Answer. Answered under (d).

(f) How many of those meetings were public?

Answer. Answered under (d).

(g) How many statements which were issued from Mr. Rockefeller's office to the press and to the public prior to or while the bill was pending?

Answer. No statements were issued.

(h) Why were the limitations which were incorporated in the final act considered by Congress not incorporated in the New York act of incorporation?

Answer. The limitations incorporated in the final act considered by Congress had been cordially accepted by Mr. Rockefeller, in the belief that they tended to allay apprehension regarding the charter powers, although they imposed no restrictions that might not at any time have been imposed by Congress should the need have arisen. When it was decided to introduce the bill in the New York Legislature it was thought that the best plan would be to follow precedent as closely as possible. Accordingly, the bill was drafted on the lines of the charters of the Sage Foundation and the Carnegie corporation. It was the belief of the incorporators that the precise limitations and safeguards, some of which might possibly be found desirable, could be more intelligently determined sidered by Congress not incorporated in the New York act of incorporation?

6. A statement showing the number of applications received by the foundation since its establishment from each State of the Union and from each of the principal cities?

Answer. No catalogue of applications has been kept, as these range all the way from innumerable requests for personal gifts or loans of money to applications in the interest of important institutions or projects.

7. Although the commission hopes to have a representative examine the material mentioned on page 22 of your letter showing various drafts and bills and committee reports, etc., in connection with the application of the Rockefeller

Foundation for charter, perhaps you will prefer to file also with the commission a digest showing:

(a) Changes made in successive drafts or bills and committee reports.

Answer: The material changes made in successive drafts and bills are indicated on pages 98-101 of the pamphlet containing the answers to the questionnaires, the changes from the original bill being indicated by italics.

(b) Dates and essence of information and statements given publicity in connection with the application for an industrial charter.

Answer. No application has been made for an industrial charter. If the word "industrial" is a misprint for "Federal," the answer is to found on pages 87-103 of the pamphlet containing the answers to the questionnaires.

8. Please send copy of the foundation report upon prostitution, and any other public reports or announcements of reports or studies.

Answer. The foundation has issued no reports upon prostitution. The inquiry doubtless refers to two reports issued by the bureau of social hygiene, which will be sent to the commission.

# EXHIBIT A.

*Gifts made by the Rockefeller Foundation from the time of its establishment to January 31, 1915.*

## I.

[By vote of the foundation.]

Dec. 5, 1913:	To the American Red Cross as a contribution toward the acquisition of a site in the District of Columbia and the erection thereon of a memorial to commemorate the services of the women of the United States in caring for the sick and wounded in the Civil War, the building to serve as a permanent headquarters, upon condition that the entire sum needed, namely, \$700,000, be raised-----	\$100, 000
Dec. 20, 1913:	Through the bureau of social hygiene a sum not exceeding \$720 a month during the year 1914 as a contribution toward the support of the diagnostic laboratory and clinics for venereal diseases maintained by the department of health of the City of New York-----	8, 640
Jan. 21, 1914:	To the American Academy in Rome an appropriation of \$10,000 a year for a period of 10 years, beginning Jan. 1, 1914, for the general purposes of the academy-----	100, 000
	To the American Red Cross for the relief of suffering in Bulgaria-----	10, 000
Jan. 29, 1914:	To the Tohoku Kyushu Saigai Kyusaikai of Japan (relief society for the calamities in the northeastern districts of Kyushu)-----	10, 000
Apr. 16, 1914:	To the committee of reference and counsel of the Annual Foreign Missions Conference of North America for the carrying out of a program of cooperation and coordination in the foreign missionary work of the principal American mission boards a pledge of-----	450, 000
May 27, 1914:	To the bureau of municipal research for carrying on its work in New York City for the remainder of the current calendar year-----	30, 000
	To the American Association for the Conservation of Vision, or to such organization as should represent the merger of that association with the New York committee for the prevention of blindness, a sum of \$5,000 a year for five years, upon condition that the contribution of the Rockefeller Foundation in any year shall be payable only upon the execution of other pledges to the amount of at least \$10,000 so as to assure a budget of not less than \$15,000 a year-----	25, 000
	To Wellesley College toward a fund of \$2,000,000 for buildings and endowment, on condition that the full amount be subscribed in good and responsible pledges on or before Jan. 1, 1915-----	750, 000



Aug. 13, 1914:

To the American Red Cross as a contribution toward the cost of sending physicians and nurses to Europe under the auspices of the American Red Cross----- \$10, 000

To Dr. Alexis Carrel, a member of the Rockefeller Institute for Medical Research, who had offered his services as surgeon to the French Government, for use under his direction for the relief of sick and wounded during the present war in Europe----- 10, 000

To the New York Association for Improving the Condition of the Poor, as a contribution to help the association in its work of providing pensions for dependent widows with families, a sum of \$20,000 a year for a period not to exceed 10 years----- 200, 000

Sept. 25, 1914: To the New York milk committee as a special gift toward the expenses of the current year in view of the serious diminution in the receipts of the committee from sources usually depended upon----- 5, 000

Oct. 21, 1914: To the Bureau of Municipal Research of New York City, for studies relating to the State government preparatory to the constitutional convention of 1915----- 10, 000

Dec. 3, 1914:

To the New York Association for Improving the Condition of the Poor as a special contribution in view of the unusual amount of distress in the city, due to the war and the industrial depression----- 25, 000

To the charity organization society as a special contribution in view of the unusual amount of distress in the city, due to the war and the industrial depression----- 10, 000

To the Brooklyn Bureau of Charities as a special contribution in view of the unusual amount of distress in the city, due to the war and the industrial depression----- 10, 000

Jan. 15, 1915:

To the bureau of municipal research for the support of critical and constructive studies in the administration of the government of the State of New York, provided that not less than \$10,000 a year be secured from other sources for the same period, and that every effort be made to secure an additional sum of \$5,000 a year for five years, making the total sum available each year \$25,000, the sum of \$10,000 a year for a period of five years beginning Jan. 1, 1915----- 50, 000

To the bureau of municipal research for a grant toward the support of the New York City work of the bureau in the year 1915, provided that at least \$40,000 be secured from other sources for that year----- 20, 000

## II.

[By designation of Mr. John D. Rockefeller, sr., in accordance with the terms of his letter of gift, subsequently approved by the foundation as within its corporate purposes.]

May 4, 1914:

To Mr. Charles W. Bowring, treasurer, for expenditure, under the direction of the New York general committee on the Newfoundland sealing disaster, for the relief of the families dependent on the men of the steamship *Southern Cross* and the steamship *Newfoundland*, who recently perished or were disabled at sea----- \$1, 000

To Mr. B. H. Fancher, treasurer, international committee of Young Men's Christian Association, 124 East Twenty-eight street, New York City, as a contribution to its foreign work for the fiscal year ending December 31, 1914, payment to be made on or about June 24. Should the international committee carry out the plan for adding 10 new workers at an additional cost of \$20,000, after having raised the budget of \$438,900 for work already undertaken, and raise \$17,500 additional, the foundation will make a further contribution of \$2,500, payable at any time during the year, when notified of the raising of regular budget of \$438,900 and the additional \$17,500----- 32, 500

May 4, 1914—Continued.

To Mr. Thomas S. McLane, treasurer, the New York milk committee, 105 East Twenty-second Street, New York City, as a contribution toward their work for the present fiscal year, with the suggestion that Mr. Rockefeller's committee favors care in the undertaking of work which would seem to be a more natural charge of other societies-----	\$4, 000
To the Baptist Union of Western Canada, room 345, Somerset Building, Winnipeg, Canada, as a contribution toward their Baptist missionary work for the current fiscal year, with the stipulation that no part of Mr. Rockefeller's contribution is to be used in the foreign field-----	10, 000
To the Society for Italian Immigrants, 129 Broad Street, New York City, for a contribution toward the work of the society for the fiscal year ending Dec. 31, 1914-----	750
To the Boy Scouts of America, 200 Fifth Avenue, New York City, as a contribution toward their expenses for the fiscal year beginning Mar. 1, 1914—the first payment to be made now, and payments hereafter to be made June 1, Sept. 1, and Dec. 1, 1914-----	5, 000
To the Prison Association of New York, 135 East Fifteenth Street, New York City, as a contribution toward the expenses of the current fiscal year-----	500
To the New York Association for Improving the Condition of the Poor, 105 East Twenty-second Street, New York, as a contribution to their work for the fiscal year ending Sept. 30, 1914-----	6, 000
To the Brooklyn Bureau of Charities, 69 Schermerhorn Street, Brooklyn, N. Y., as a contribution toward the expenses of their fiscal year ending Apr. 30, 1914-----	2, 000
To Mr. Paul M. Warburg, treasurer, New York Child Labor Committee, 52 William Street, New York City, as a contribution toward the expenses of their fiscal year 1914-----	300
To the National Highways Protective Society, No. 1 West Thirty-fourth Street, New York City, as a contribution to the expenses of their current fiscal year-----	250
To Mr. V. Everit Macy, 68 Broad Street, New York City, for the purpose of meeting the cost of salary, traveling and other expenses of one trained agent to work among the poor children of Westchester County, N. Y., the work to be done under the auspices of the State Charities Aid Association, acting through local committees-----	1, 200
To Mr. V. Everit Macy, superintendent of the poor, Westchester County, East View, N. Y., for the purpose of paying the expenses of an additional eugenic investigator in Westchester County for one year-----	900
May 5, 1914: To Dr. Charles B. Davenport, Cold Spring Harbor, Long Island, N. Y., for the purpose of providing for six field workers in eugenics, for the year beginning Oct. 1, 1914, to work in State institutions on the following terms, viz, a salary of \$75 a month each, to be paid by the foundation, the institutions or the State paying the maintenance and expenses of the workers in the field-----	5, 400
May 12, 1914: To W. K. Brice, treasurer, Public Education Association, for the general purposes of the association, subject to the following conditions:	
Payable at once toward the expenses of the current fiscal year-----	\$2, 500
For the year 1914-15-----	5, 000
For the years 1915-16, 1916-17 (\$5,000 each year)-----	10, 000
Payable upon condition that similar two-year pledges to the amount of \$10,000 each year be obtained from other sources, and that a total of at least \$30,000 be pledged each year-----	17, 500



## 8460 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

May 14, 1914:	To the Laymen's Missionary Movement as a contribution toward the work of the movement for the fiscal year 1914	\$5,000
May 15, 1914:	To the National Child Labor Committee as a contribution for fiscal year ending Sept. 30, 1914	1,500
	To the Cleveland School of Art as a contribution toward the current expenses for the fiscal year ending Aug. 31, 1914	700
June 3, 1914:	To the Baptist Ministers' Home Society of New York as a contribution toward the work of the society for the fiscal year 1914	200
	To the Federated Council of the Churches of Christ in America as a contribution toward the work of the council for the fiscal year 1914	500
June 5, 1914:	To the charity organization society as a contribution toward the work of the society for the fiscal year ending Sept. 30, 1914	6,000
June 17, 1914:	To the George Junior Republic Association, at Freeville, N. Y., as a contribution toward the work of the association for the fiscal year ending Sept. 30, 1914	2,000
June 19, 1914:	To the State Charities Aid Association as a contribution toward the work of the association for the fiscal year ending Sept. 30, 1914	2,000
June 24, 1914:	To the Rockefeller Institute for Medical Research for lands, buildings, equipment, and additions to endowment, with the understanding that approximately the sum of \$450,000 will be needed at once for the purchase of additional land; approximately \$1,100,000 will be needed for buildings and equipment, to be called for from time to time as needed by the institute; and the balance for endowment to be called for after the buildings are completed and equipped	2,550,000
June 26, 1914:	To the girls' branch of the Public School Athletic League, in New York City, as a contribution toward the work for the year ending June 1, 1915	300
June 30, 1914:	To the New Jersey Baptist convention as a contribution toward the work of the convention for the fiscal year ending Oct. 15, 1914	1,000
July 8, 1914:	To Gardiner M. Lane, treasurer, Salem fire relief fund, for the relief of the sufferers from the conflagration at Salem, Mass	10,000
July 29, 1914:	To the Honest Ballot Association of New York City as a contribution toward the expenses of the association for the current fiscal year	1,000
	To the Working Women's Protective Union as a contribution toward the work of the union for the current fiscal year	50
	To the American Baptist Foreign Mission Society as a contribution toward the payment of the accumulated deficit in the missionary work of the Foreign Mission Society, Home Mission Society, and Women's Foreign Mission Society of the East, being in full payment of Mr. John D. Rockefeller's conditional pledge of June 19, 1914	50,000
	To Supt. W. H. Maxwell, New York City schools, as a contribution toward a fund to provide cooking utensils for various schools and food for destitute pupils	2,500
Jan. 19, 1915:	To the Tarrytown Young Men's Christian Association as a contribution toward the work for the calendar year 1915	500
Aug. 17, 1914:	To Mr. E. L. Seyler, treasurer, Young Men's Christian Association, University of Michigan, Ann Arbor, Mich., for the purpose of providing the necessary land and erecting and equipping an association building thereon, it being understood that this pledge will be payable on or before Oct. 1, 1915, on condition that the entire sum needed, namely, \$120,000, will be raised by that date, and that if this sum should be raised at any time before Oct. 1, 1915, this pledge will be immediately payable on receipt of due notice and request from the association	60,000

Aug. 18, 1914:

To Mr. Daniel W. McWilliams, secretary-treasurer, Brooklyn Young Men's Christian Association, as a contribution toward the cost of land and buildings for the Brooklyn Young Men's Christian Association----- \$300, 000

To Mr. James D. Williamson, treasurer, the Cleveland Federation for Charity and Philanthropy, for the support of the Young Women's Christian Association of Cleveland, Ohio, during the fiscal period ending Sept. 30, 1914----- 1, 000

Aug. 26, 1914: To the American Baptist Foreign Mission Society for the general purposes of said society----- 50, 000

Sept. 9, 1914: To Mr. George A. Rudd, treasurer, the Alta Social Settlement of Cleveland, Ohio, for the following purposes, to wit: \$13,500 toward the budget for the fiscal year, Sept. 1, 1914, to Sept. 1, 1915, payable the last day of each month; \$1,000 toward the repair fund for the same fiscal year, payable as called for----- 14, 500

Sept. 11, 1914: To the Legal Aid Society of New York as a contribution toward the current expenses of the society for the present fiscal year----- 1, 000

Sept. 29, 1914: To the Cleveland Federation for Charity and Philanthropy, Cleveland, Ohio, to be used by the federation, in its discretion, for meeting the emergency disclosed by the correspondence of Sept. 16, 1914----- 1, 000

Oct. 3, 1914: To the Public School Athletic League of the City of New York as a contribution toward the work of the league for the present fiscal year----- 500

Oct. 21, 1914: To the Blue Ridge Association as a contribution toward a total of \$3,000 to meet the expenses of maintaining the social service summer school of the association, payment to be made as follows: \$1,500 the coming summer, \$1,000 the next summer, and \$500 the third summer, upon condition that in each of said years a further sum shall first be collected by the association in cash sufficient with this gift to equal not less than \$3,000----- 3, 000

Nov. 2, 1914: To the International Young Men's Christian Association College at Springfield, Mass., as a contribution to the current expenses of the college----- 2, 000

Nov. 5, 1914:

To the girls' branch of the Public School Athletic League of the City of New York as an additional contribution toward the current expenses of the present fiscal year on account of the unusual circumstances they are confronted with, this being an emergency contribution and not to be considered as a precedent in making application another year----- 200

To the Police Society of Westchester County (Inc.), toward the expenses of the society during the year 1915, the foundation to contribute one-fifth of the total amounts contributed by other sources up to the sum of \$5,000, which it is understood is the maximum amount needed----- 1, 000

Nov. 18, 1914:

To the American Female Guardian Society and Home for the Friendless as a contribution toward the expenses of the organization for the current year----- 500

To the Brooklyn Young Men's Christian Association as a contribution toward the expenses of the association for the current fiscal year----- 1, 000

Nov. 20, 1914: To the Religious Education Association as a contribution toward the current expenses of the association----- 750

Nov. 23, 1914:

To the National Board of the Young Women's Christian Association as a contribution toward the work of the board for the fiscal year ending Dec. 31, 1915----- 10, 000

To the Charity Organization Society Committee on the Prevention of Tuberculosis as a contribution toward the Red Cross Christmas seal fund----- 500



## 8462 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

Nov. 30, 1914: To the Young Men's Christian Association of the city of New York as a contribution toward the general expense fund of the association for the year 1914-----	\$3, 000
Dec. 17, 1914:	
To the National League on Urban Conditions among Negroes, toward the work of the league for the fiscal year 1914-15-----	3, 500
To Whittier House, Jersey City, N. J., as a contribution toward the current expenses for the present fiscal year-----	1, 000
Dec. 18, 1914: To the Parks and Playgrounds Association of the City of New York as a contribution toward the work of the association for the present fiscal year-----	250
Dec. 30, 1914:	
To the international committee of Young Men's Christian Associations as an emergency subscription toward the work on the home field of the associations-----	15, 000
To the Hospital Saturday and Sunday Association as a contribution toward the expenses of the association for the current fiscal year-----	5, 000
Jan. 11, 1915: To the Travelers' Aid Society as a contribution toward the work of the society for the year 1914-----	1, 000

### ROCKEFELLER, SR., EXHIBIT.

26 BROADWAY,  
New York, February 9, 1916.

HON. FRANK P. WALSH,  
*Chairman United States Commission on Industrial Relations,*  
*643 Transportation Buildings, Chicago, Ill.*

DEAR SIR: In compliance with your request for information with regard to my personal advisers as to my business investments, I submit the following statement:

The present members of my personal staff are my son, John D. Rockefeller, jr., Starr J. Murphy, and Ivy L. Lee.

The other men whom I referred to, some of whom may in the course of time fill places which may become vacant, are Messrs. Edward V. Cary, J. Alva Jenkins, Charles O. Heydt, and Bertram Cutler.

There is no clear separation of duties as between the different members of my staff, but they all cooperate as they are able to toward the common end.

Very truly, yours,

JOHN D. ROCKEFELLER.

### ALLEN EXHIBIT.

#### EXHIBIT A.

PUBLICITY GROWING OUT OF MR. ALLEN'S "FLIMSIES" AND OTHER FORMS OF STATEMENT TO THE PUBLIC, AND MR. CUTTING'S RESPONSE—SOME NEWSPAPER HEADLINES, JULY, 1914.

During the last year many typewritten "flimsies" and other statements have been circulated and news stories have been current which have caused friends and supporters of the bureau of municipal research to question the management. Before the Federal Commission on Industrial Relations turned its attention to investigating charges of Rockefeller domination only two statements were made by those in charge, one an interview (July 16 last) with Mr. Cleveland on the differences that had arisen between the directors, the other a signed statement of Mr. Cutting (July 19) denying the truth of Mr. Allen's claims concerning the action of the board of trustees.

The first intimation the officers of the bureau had of a news story came in the form of a telegram of inquiry from Madison, Wis., to a New York agency. Officers of the bureau refused to make a statement, until a reporter came (July 16) with Mr. Allen's claims ready to print.

The widespread publicity given to Mr. Allen's recent testimony and the renewed request for information has made it seem worth while to issue this "statement of facts" to our mailing list and correspondents.

[New York Tribune, July 16, 1914.]

SAYS ROCKEFELLERS RULE CIVIC PROBE.

Dr. Allen Quits Bureau of Municipal Research After Clash—Rival Gets \$50,000 Gift to Aid Work—Dr. Cleveland Will Supervise \$30,000 Expenditure—Trouble over Research Plans.

[New York American, July 17, 1914.]

DR. ALLEN WARS ON ROCKEFELLER CASH IN SCHOOLS.

Expert in Municipal Problems to Quit—Opposed to Dominance of Foundation.

[New York Evening Mail, July 17, 1914.]

JOHN D.'S CASH SPLITS BUREAU.

Municipal Research Director Allen on Absence Leave—Not Expected to Resume Duties.

[New York Evening Sun, July 17, 1914.]

ROW OVER ROCKEFELLER GIFTS.

City Research Bureau Bars "Strings" on Contribution.

[New York Globe, July 17, 1914.]

ROCKEFELLERS CAUSE SPLIT IN CIVIC RESEARCH.

Municipal Bureau Declared to Have Come Under Their Domination by Offers of Substantial Financial Aid—Conditions Would Limit That Body's Activities—Trustees "Resolve" Against This, but Effect Is Same, Some Say—Dr. Allen Enters a Protest.

[New York Sun, July 17, 1914.]

DR. ALLEN MAY QUIT BUREAU.

Said to be Irreparably Miffed by Rockefeller Foundation.

[New York Evening Journal, July 18, 1914.]

JOHN D.'S CASH CAUSE OF CIVIC RESEARCH FUSS.

[New York Herald, July 18, 1914.]

ROCKEFELLER CASH CAUSES A SCHISM.

Split in Research Bureau Likely Because of Allegations Made by William H. Allen.

[New York Evening Telegram, July 18, 1914.]

FRICITION CAUSED IN BUREAU BY ROCKEFELLER COIN.

Mr. Allen's Allegations May Cause Split in Department of Municipal Research—Managers Concerned Over Future Financial Aid.

[New York Times, July 18, 1914.]

DIRECTORS FALL OUT IN RESEARCH BUREAU.

Dr. W. H. Allen, Who Can Not Agree With Dr. F. A. Cleveland, May be Ousted—Rockefeller as a Factor—Report That His Domination Caused Friction Denied by Officers of the Organization.



STATEMENT OF MR. R. FULTON CUTTING, CHAIRMAN OF THE BUREAU OF MUNICIPAL RESEARCH, CONCERNING THE PUBLISHED REPRESENTATIONS THAT MR. ALLEN WAS THREATENING TO RESIGN ON ACCOUNT OF ROCKEFELLER DOMINATION, ISSUED JULY 19, 1914.

The articles that have appeared in the newspapers with reference to dissension in the Bureau of Municipal Research leave much unsaid. The trustees of the bureau do not agree with Dr. Allen with reference to the wisdom of some of the policies and methods he pursues. There is room for honest difference of opinion upon those questions.

But the trustees are unanimous. They are persuaded that they are right and Dr. Allen holds to his views. The trustees appreciate his enthusiasm for the work, his fertility of expedients, his unwearied industry, and they entertain for him personally a cordial regard.

He has not resigned as director, nor has he been asked to do so. At the inception of this bureau it attempted a form of organization very difficult to operate successfully. At the request of Dr. Allen, who was one of the founders of the bureau, an executive was created consisting of three directors with co-equal powers—Dr. Allen, Dr. Cleveland, and Mr. Bruere.

I expressed grave doubts as to the wisdom of this policy, but Dr. Allen was so positive that it would succeed that he had his way. For a considerable time the plan worked better than I expected, but of late serious differences of opinion have arisen with reference to the expediency of various policies and methods.

The fact that Mr. Rockefeller has been one of a large number of subscribers has had nothing to do with this controversy. The Rockefeller Foundation is not attempting to control this bureau in any way. Dr. Allen is wrong when he says that the board of trustees has changed its views in any respect in obedience to requirements of the foundation.

LETTER OF RESIGNATION OF MR. ALLEN AS DIRECTOR OF THE BUREAU OF MUNICIPAL RESEARCH, DATED OCTOBER 2, 1914, GIVEN TO THE PRESS WITH PAMPHLET ENTITLED "REASONS WHY MR. ALLEN BELIEVED THAT MR. ROCKEFELLER'S CONDITIONAL OFFER \* \* \* SHOULD NOT BE ACCEPTED."

GENTLEMEN: Herewith I tender you my resignation as director of the bureau of municipal research, to take effect at the annual meeting of the corporation.

Since the May meeting with several of the trustees regarding Mr. Rockefeller's conditional offer,<sup>1</sup> I have hoped to be able to present in person at the annual meeting reasons for giving me an opportunity after December 1 to organize a new board around our old program and record.

In July, when untrue statements were given to the press regarding the Rockefeller offer, regarding the trustees, and regarding the bureau and the training school and their men, as well as regarding me, I was silent when perhaps I should have spoken and should have resigned. But it seemed unfair to those trustees who were away from the city or out of the country, and others who acted hurriedly without analyzing the basis for action, to make public facts which had been overlooked by or withheld from them, before first knowing that such facts had been placed before them.

How far, and in what direction, changes have been made in the bureau and the training school without the board's knowledge, and how far the board's action since May has been based upon misinformation, partial information, or no information, each trustee may now more easily ascertain from the bureau records than from me. How far, and in what ways, injustice has been done, misrepresentation fostered, and malice vented ostensibly in the name of the trustees, it is also easy to ascertain.

The university survey prevents me from coming home at this time and I cannot from this distance present the essential facts as briefly, clearly, and agreeably as you can obtain them through first-hand examination.

One or two facts seem to me to add to the reasonableness and the force of two suggestions I beg to make: That trustees be elected at the annual meeting who believe in the record of the bureau and the training school; and that those

<sup>1</sup>The purpose of this meeting was to consider differences between the directors concerning practices that had developed under Mr. Allen's management. Mr. Allen tried to inject what he termed "an alternative to the Rockefeller proposal," but was told that there was no proposal, and this was the only reference made to Mr. Rockefeller.

trustees be not reelected who, during the past several months, have been party to disparaging and changing both bureau and training school.

Never before had the bureau—and my so-called “methods”—so few enemies and so many friends as in early April this year, when, with your hearty approval and benediction, I started for the University of Wisconsin Survey.

Since that time, with the exception of one short visit home, I have been continually in Wisconsin. During that time I have had no audience with the board on any other subject but the Rockefeller offer, have been asked no questions, and hence have had no opportunity to present either fact or questions regarding proposals for change in the bureau or training school.

During that time a campaign of misrepresentation has been waged not merely against me—which would be insignificant—but against the fundamental spirit and method and the record of both bureau and training school—which I regard as highly significant.

During that time radical changes have been made in the program, the method, and the constituency of the bureau and training school. What these changes are you are in position to ascertain if, by chance, they have not been made clear to you.

The right of a trustee to independent judgment and independent preference no one can reasonably question. I certainly do not question any trustee's leaning toward what Mr. Rockefeller and recent statements from the bureau call “scientific research” rather than toward what the world knows and esteems as municipal research. But I do submit that such preference and leaning are reasons for being trustee of a bureau of scientific research rather than for transforming the bureau of municipal research and the training school for public service into something they were not intended to be.

The fair and just solution is simple as I see it:

(1) That the annual meeting of the bureau of municipal research elect trustees who believe that this is the time for emphasizing and expanding—not for changing and contracting—municipal research as it was a year ago.

(2) That the men and the money with a leaning toward “scientific,” as distinct from municipal research, be organized into a separate bureau of scientific research.

By December 1 next, when I am released from this position, I shall not only be able to guarantee from entirely new sources adequate funds for promoting municipal research as the world knows and wants it, but shall have ready men equal in training and superior in vision and in ability to get things done to those men now available for the emasculated program of municipal research which is proposed.

Through the years 1906 to 1914 you had continued evidence of my appreciation of working with the trustees of the bureau. I do not wish at this time either to subtract from my enjoyment of that retrospect or to divert your attention from my proposal for the future to treatment received the last summer by the program and myself, so strikingly incompatible with our previous relation.

Sincerely, yours,

WILLIAM H. ALLEN.

FURTHER REPRESENTATIONS MADE BY MR. ALLEN IN A PAMPHLET “REASONS WHY MR. ALLEN BELIEVES THAT MR. ROCKEFELLER'S CONDITIONAL OFFER \* \* \* SHOULD NOT BE ACCEPTED,” ISSUED OCTOBER 5, 1915.

The idea of using New York municipal research work for teaching purposes is worth more to the country than Mr. Rockefeller's promise to help secure \$100,000 a year for five years. \* \* \* The pedagogical contribution made by this bureau is worth more to the country than any pedagogical contribution as yet made by the General Education Board's use of its nearly \$50,000,000 endowment.

Mr. Rockefeller's restrictions indicate to me that he does not understand the bureau's program, method, or result. \* \* \* Mr. Rockefeller's right to spend his own money as he wishes I do not question. I do question anyone's right, even that of our own board or our own directors, to call an emasculated program by the name of the whole program. \* \* \* We have made capital of the fact that we have looked at all these questions from the public's point of view and in the public's interest. As one of the many men who have given their best to this movement, I should never again expect the public to believe that I was capable of looking at this question solely from the public's point of view, if it became known that I had promised to accept for five years restrictions as to field or method such as those which Mr. Rockefeller asks our board to consider and which Mr. Cutting has informed me are to be accepted.



The offer of Mr. Rockefeller was first repeated to me by two of our trustees, one of whom began the interview by saying: "If it were not for the money I would never have listened to it."<sup>1</sup> For trustees of the bureau to promise to avoid any field whatsoever for any person whomsoever or for any consideration whatsoever, I personally regard as contrary to the principles which originated the bureau and as an extravagant bargain both in influence and in money.<sup>2</sup> The fact that it is Mr. Rockefeller who proposes the restriction does not mitigate the danger which surely exists. \* \* \*

In May, after extended correspondence with bureau officials, I returned to consider with the trustees of the bureau of municipal research, who were not abroad or out of the city, a proposed reorganization which included provisions to secure financial support conditioned upon radical sacrifices of bureau program, method, and accountability to the public. I was officially told that except for my objections there was unanimity of intention to accept this offer with conditions.<sup>3</sup>

For hours on May 9 and 13 I was urged "not to make a moral issue out of a mere question of expediency" and to humor the wish of Mr. Rockefeller and others "to eliminate the bureau from the New York school fight"; i. e., the fight to secure democratic, progressive, informed management of New York City's school system.

Money plus trustees' support was offered me then and later, verbally and in writing, if I would work outside New York City. I replied each time that I did not want money for however good a cause from men who would desert a winning program such as our school program.

The trustees disbanded May 13 without motion to refuse the conditional offer. At a later meeting, however, it was voted "that no subscriptions or contributions be received subject to any conditions or limitations as to the future activities of the bureau."

Yet gifts of \$55,000 from Mr. Rockefeller followed shortly, part for the bureau, part for so-called "scientific research," to be by bureau men, but not under the trustees' direction.<sup>4</sup> The original conditions, however, technically rejected, have, in large part, been lived up to.

On June 18 I wrote the trustees that I would rather be "alone in New York with our old program than have Mr. Rockefeller's millions, but minus our program."

What I still believe I then affirmed: "With little money, but with our old program, the bureau can accomplish more during the next 10 years than Mr. Rockefeller can hope to accomplish with his tens of millions if he continues to work with the restricted vision which he has used and would now have the New York Bureau of Municipal Research adopt."

When newspapers in July obtained from other sources than myself a rumor of the "Rockefeller conditions" I referred them to the bureau officers for the truth. The official statements, as published, were contrary to the record in letter and in reference.

The character of New York City's municipal research movement and training for public service has changed. The change is being widely felt. \* \* \*

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#### NEWSPAPER HEADLINES BASED UPON MR. ALLEN'S STATEMENT OF OCTOBER 5, 1914.

On October 5, when the board of trustees met, the letter of resignation and the news stories based on Mr. Allen's pamphlet had already appeared in the afternoon papers, some of which were before them. Notwithstanding this, the board of trustees unanimously decided to take no notice of the letter, pamphlet, and news stories, other than to accept Mr. Allen's resignation and to ask the chairman to refer the reporters to Mr. Cutting's statement of July 19. That Dr.

<sup>1</sup> Mr. Cleveland was present at the "interview" referred to; he affirms that no such statement was made by Mr. Cutting.

<sup>2</sup> Mr. Allen was not only told at this meeting that no such proposal had been made as he claimed, but when it became apparent that he would not accept the statement of Mr. Cutting and Mr. Morawetz, a formal resolution was unanimously passed (June 30) binding the officers not to accept contributions which would bind the future action of the board, and a copy was sent to Mr. Allen.

<sup>3</sup> \$30,000 only was given to the Bureau for the year 1914, and this was to make up a deficit.

Allen's claims were given wide circulation appears from the following headlines, which have been selected as typical:

[Boston American.]

TOO MUCH JOHN D.

Director Quits Job.

[Boston Evening Transcript.]

REFUSE ROCKEFELLER CONTROL.

[Chicago Tribune.]

OBJECTS TO JOHN D.—RESIGNS.

Founder Quits New York Bureau of Municipal Research Because of Dominance of Rockefeller.

[Madison Journal.]

ALLEN RESIGNS AS DIRECTOR OF RESEARCH WORK.

Rockefeller's Domination Cause.

[Philadelphia North American.]

DR. ALLEN QUILTS ROCKEFELLER BODY.

[Philadelphia Public Ledger.]

OBJECTS TO ROCKEFELLER INFLUENCES.

[Philadelphia Record.]

FLEES FROM ROCKEFELLERISM.

Director of Municipal Research Sees Insidious Control.

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INQUIRY OF THE COMMISSION ON INDUSTRIAL RELATIONS—ONE OF THE NEWS STORIES TELLING OF THE INTENTION OF THE COMMISSION—DR. WILLIAM H. ALLEN AIDING THE COMMISSIONERS IN FRAMING QUESTIONS WHICH WILL BE PUT TO THE WITNESSES.

Whether the Rockefeller, Carnegie, and Sage Foundations and big business have interlocking directorates is one of the questions to which the United States Commission on Industrial Relations will seek an answer from witnesses at public hearings that begin Monday. An expert who will aid the commission is Dr. William H. Allen, formerly director of the bureau of municipal research. Dr. Allen is the author of *Modern Philanthropy*, published in 1912, and the questions he has framed for the commissioners to ask representatives of the foundations were suggested in his book at the time when skepticism toward philanthropy was being encouraged by certain groups of social workers.

Dr. Allen has been engaged in a survey of the University of Wisconsin, to determine for the people of that State whether their institution is doing the best it can. As he is said to have clashed with men directing the expenditure of philanthropic millions, and to have knowledge of their methods, he is expected to supply effective ammunition for the questioning of witnesses. The correspondence between trustees of the bureau of municipal research and the Rockefeller representatives, also correspondence in which Dr. Allen took part, will, it is said, be examined by the Federal commissioners.

Mrs. E. H. Harriman and Robert Fulton Cutting, both of whom were directing forces in the bureau of municipal research before the Rockefeller interests became identified with it, may be asked to testify as to what conditions were made to secure for the bureau Rockefeller support.

From the local bureau has sprung a bureau of municipal research for Denver. In the Colorado mine strike inquiry, conducted by the Federal commission, there was a parallel inquiry by the Rockefeller Foundation, two directors



of which are directors of the Colorado Fuel & Iron Co., whose men were on strike. At least it is so stated at the temporary office of the commission in this city. The relations of the personnel of the Denver bureau, the foundation, and the Colorado Fuel & Iron Co. will be the subject of inquiry.

Critics of the foundations believe that they are attempting to control the educational development of the country to suit the standards of the men who have created the foundations. A sample case suggested relates to the Rockefeller Foundation's attitude toward the department of education in this city. The Rockefeller Foundation is said to have looked unfavorably upon Thomas W. Churchill when he sought reelection as president of the board of education a year ago. Dr. Abraham Flexner, once identified with the Carnegie Institute, afterwards with the Rockefeller philanthropic interests, is a member of the board of education and the leader of an aggressive element with definite ideas on educational development. (News item, New York Evening Post, Jan. 16, 1915.)

#### EXHIBIT B.

##### STATEMENT OF FACTS<sup>1</sup> SUBMITTED TO THE COMMISSION WITH LETTER OF FEBRUARY 2, 1915.

*The origin of the bureau.*—The one novel idea in the organization of the bureau of municipal research (the continuous employment of a staff by a citizens' agency to keep in touch with the Government and what it is doing and to cooperate in constructive work) had been discussed for many years before 1907. In its issue of March 11, 1901, this was the subject of an editorial in the New York Tribune, which was clipped by Mr. Frank Tucker and sent to Mr. Cutting as something to which he should lend his support. Soon after this a formal proposal to create a bureau or department of civic affairs of the chamber of commerce was prepared by Mr. Tucker and taken up by Mr. Cutting with Mr. Charles Stewart Smith, a prominent member of that body. When Mr. Allen came to New York his assistance was invited. While engaged professionally on work of this kind, Mr. Frederick A. Cleveland became impressed with the need for an independent agency supported by citizens, which would be equipped to obtain information about the management of public affairs, and follow up and support the constructive measures of public officers. And when Mr. Cleveland became a member of the mayor's advisory commission on finance and taxation in January, 1905, he actually employed an outside staff in this manner.

In February, 1905, Mr. Cleveland prepared a written prospectus for the organization of a permanent "Bureau of municipal research," at the suggestion of Mr. Tucker, and placed it in Mr. Allen's hands, with the understanding that he would undertake to raise money for it. This brief was used for some time by Mr. Allen, and several conferences were arranged with professional and business men. Later in November, with the help of Mr. Tucker, Mr. Allen prepared a revised statement and circulated it under the title of "Brief for the establishment of an institute for municipal research." In the latter part of 1905 Mr. Cutting decided to support the efforts at the rate of \$1,000 per month for a year, to make an actual demonstration of what could be done; and with this fund Mr. Henry Bruere was employed to take charge of it, taking over on his staff some of the men who had been working with Mr. Cleveland. The work was financed by Mr. Cutting and conducted by Mr. Bruere as the "Bureau of city betterment," a branch of the citizens' union, of which Mr. Cutting was president. The success of the first year's effort led Mr. Cutting to ask Mr. Carnegie and Mr. Rockefeller to join him, and the bureau of municipal research was incorporated in 1907, with Mr. Cutting, Mr. Tucker, Mr. Allen, Mr. Cleveland, Mr. George McAneny, Mr. Richard Watson Gilder, Mr. Edwin R. A. Seligman, and Mr. Carroll D. Wright as trustees. Mr. Bruere was the first director of the bureau. Mr. Cleveland was brought in as director on the technical side and Mr. Allen was made director in recognition of his ability as a promoter and advertiser.

*The purpose and policy of the bureau.*—The bureau originally undertook to make inquiries into the organization and management of the Government, to

<sup>1</sup> Accompanying the letter of Feb. 2, of the director of the bureau of municipal research to the members of the Commission on Industrial Relations. This was admitted to the record immediately before Mr. Allen appeared as a witness, and no opportunity was given anyone to appear to enter a denial of any of his allegations.

find out what the Government is doing, how it is doing its work, and what results are being obtained, without color or bias. This is still the underlying purpose and motive of the board of trustees and of all the employees of the bureau engaged by them.

In order that there might be no question about the unbiased and disinterested attitude of the bureau in doing its work, if started out with the established policy of first preparing a statement of facts, without comment or criticism; of submitting this statement of facts to the official or to the person responsible for the conduct of the office that was being studied, of taking up with the responsible officer or person any suggestion for change, enlargement or amendment of the first draft of statement of facts, as submitted. A statement of facts having thus been agreed to, the bureau then undertook to place before the officer its critical and constructive recommendations based on the statement of facts. It also undertook to give to the public officer its report before it gave it to the public, in order that he might take such constructive steps as he might think desirable for the public good before making the report a matter of news. This is still the policy of the bureau of municipal research. During the first five years of the bureau's existence, Mr. Allen had little to do with the research work of the bureau—this being almost entirely in the hands of Mr. Bruere and Mr. Cleveland. During the last three years, while Mr. Cleveland was absent, Mr. Allen had much to do with the bureau's research work, and it was during this period that serious differences developed with respect to the uses which were made of the personnel of the bureau and serious question was raised by the board as to whether the practices that had grown up were in harmony with established policies.

With respect to publicity, Mr. Allen's views have never been in harmony with those of his associates, and within the first year of the bureau's existence a special committee was appointed to define its publicity policy, departure from which has since been the subject of frequent protest.

When Mr. Allen began more actively to participate in bureau work he first entered the educational field; and in this he not only attempted to go into the various institutional aspects of education, but also to criticize sharply matters of educational theory and the ideals of professional educators. This practice, together with his personal attacks on educators, was the subject of protest by members of the board.

Further questions were raised as between the directors with respect to practices pertaining to the professional service work undertaken for compensation, management of the training school, office organization, and discipline, and other matters, many of which were not brought before the board.

During the period of these controversies several members of the board of trustees resigned; the last, Mr. John B. Pine, whose letter with statement of reasons was dated February 20, 1914. Effective on January 1, 1914, Mr. Bruere resigned as codirector.

For two months after January 1, 1914, efforts were made by Mr. Allen's remaining codirector, who had then returned to active participation in the management, to find a basis whereon an agreement could be reached with respect to bureau work, either by a definition of duties or by a subdivision of responsibility which could be presented as a formal proposal to the board of trustees.

Finding that this was impossible, on March 2, following a six-hour conference on February 28, Mr. Cleveland submitted his resignation to the board of trustees, recommending that the whole management be turned over to Mr. Allen.

The resignation of Mr. Cleveland brought the chairman of the board into the matter, and an agreement, in writing, was made with respect to the division of work, to no avail.

A formal proposal along the same lines was then brought before the meeting of the board of trustees (Mar. 24, 1914) and a resolution was passed defining the jurisdiction and authority of each director, with no better result.

*Facts about Rockefeller subscriptions and influence.*—Although Mr. Rockefeller and the Rockefeller Foundation have been among the liberal contributors to the support of the bureau, the total of all the contributions from both sources has amounted to only about 10 per cent of the funds expended. (See "List of Contributors," Exhibit 1, attached.)

During 1907, Mr. Allen sought to obtain large financial support from the Sage Foundation and the Carnegie Institution, as well as from Mr. Rockefeller.

In May, 1908, Mr. Allen wrote to Mr. Rockefeller, emphasizing the need for a



permanent endowment. In November, 1908, Mr. Allen again sought to enlist Mr. Rockefeller and Mr. Carnegie in obtaining large support for the bureau.

From 1910 to 1914 Mr. Allen frequently urged Mr. Rockefeller and his associates to contribute to the bureau.

In 1913 Mr. Allen obtained from the Rockefeller Foundation, on his urgent solicitation, \$30,000 for a special investigation to be controlled by him, although at that time Mr. Rockefeller's subscription to the general fund of the bureau was only \$2,000.

As late as December, 1913, he stated that he still hoped to get from Mr. Rockefeller an endowment and cited the fact that he had obtained a special fund of \$30,000 a year before as the reason to hope for such a result.

The only contributions to the bureau by Mr. Rockefeller or the Rockefeller Foundation with restrictions attached were obtained by Mr. Allen, and the only difference between the subscription which Mr. Rockefeller made in 1914 (the subject of Mr. Allen's hostile criticism) and the \$30,000 subscription of 1913, above mentioned, is that the subscription of 1914 was to the general fund, without restrictions, whereas the 1913 subscription was to a special fund.

The fact that Mr. Allen sought and frequently obtained special funds from Mr. Rockefeller and others instead of giving his thought and attention to obtaining general funds, the use of which would be for the free determination of the board, was one of the subjects of serious complaint against Mr. Allen by his codirectors.

During the entire period of eight years Mr. Allen was the only one who had any considerable contact with Mr. Rockefeller or his associates in asking for financial support.

During this period Mr. Allen also made various overtures to try to get Mr. Rockefeller to interest himself personally in the management and affairs of the bureau.

In 1909 Mr. Allen proposed Mr. Rockefeller as a trustee and obtained the consent of the board to write a letter to Mr. Rockefeller, urging him to become a trustee, which Mr. Rockefeller refused to do.

It was not until May, 1914, after Mr. Bruere had left the bureau, and after questions had formally been raised before the board bringing into issue questions of policy concerning the management on which the trustees could not agree, and when, with the resignation of his codirector before the board, there was a disposition not to accept it, Mr. Allen made it known that he thought that Mr. Rockefeller was exercising undue influence or that he objected in any manner to Mr. Rockefeller's contributions.

A conference between Mr. Cutting, Mr. Morawetz, and Mr. Rockefeller took place on April 10 in response to a request of Mr. Cutting, made several months before, urging Mr. Rockefeller to take up the question of another five-year subscription, the last year of the previous one being about to expire.

Upon the conclusion of this conference Mr. Cutting immediately reported the conversation to the directors, and stated that Mr. Rockefeller had raised question about the publicity and about the policy of the board, but that he had been told that every question he had raised had been for some months before the board; further, that Mr. Rockefeller had requested information about certain details of bureau practices and that he had suggested that he get his information from one of the directors.

On the following day—April 11—at Mr. Rockefeller's request, Mr. Cleveland lunched with him to talk over the bureau's methods and work. At the conclusion of this conference a written memorandum was made and submitted to Mr. Allen, setting forth what questions had been raised and what had been the attitude of Mr. Rockefeller—this being the first conference that Mr. Cleveland had ever had with Mr. Rockefeller about bureau work or bureau affairs.

On April 22, Mr. Allen wrote to Mr. Cutting from Madison a letter, an excerpt from which follows: "If it were not for the recent Flexner report I should feel justified in writing to Mr. Rockefeller and appeal for funds to supplement the meager budget that was voted for this study. \* \* \* It is just the kind of opportunity that those big foundations which advertise that they are looking for opportunities to serve, ought to take advantage of." And in the same letter he says that he had asked the chairman of the special committee to study training schools for teachers in New York to "make formal request for help of the General Education Board and the Carnegie Foundation."

What was heralded by Mr. Allen as a conference on the "Rockefeller proposal" in his published brief under the title "Reasons Why Mr. Allen Be-





## EXHIBIT C.

Training School for Public Service, conducted by Bureau of Municipal Research,  
261 Broadway, New York City.

## ASSIGNMENT ADVICE.

Assistant director in charge: William H. Allen. No. 310. Date: June 11, 1913.  
Assigned to Franklin Zeiger.

Descriptive title of assignment: Public School No. 115, Canarsie, Brooklyn.

*Instructions.*—Visit Public School No. 115, Canarsie, Brooklyn. Ask for Miss Callahan, principal. Do not state your connection with bureau unless definitely asked, when say that you are there by assignment. If possible, keep the rôle of interested citizen who has read the attached clipping. Say that you made up your mind to step in some time when you could. Use your own judgment about disclosing your connection with the Newburgh survey.

I am very anxious to learn from your judgment of the general spirit of the place; whether the teachers seem interested and happy; whether there seems to be a more indifferent attitude of principal to teacher than you find in the larger schools.

Assignment to be completed: Thursday night.

Training School for Public Service, conducted by Bureau of Municipal Research,  
261 Broadway, New York City.

## ASSIGNMENT ADVICE.

Assistant director in charge: William H. Allen. No. 348. Date: July 1, 1913.  
Assigned to Mr. Kirshman.

Descriptive title of assignment: Moving-picture shows.

Work to be performed at: Field on Saturday and Sunday evenings.

*Instructions.*—Please visit the moving-picture shows named below and obtain the data called for in the accompanying schedule. You will note that all questions not requesting numerical values may be answered by "yes" or "no." Care should be taken to place at the head of the data column for purposes of identification the same number that appears opposite the house in the list. As the list has been prepared with a view of covering the district in the most expeditious manner, it is suggested in visiting these houses that the order indicated be followed. Merely note whether or not building contains tenements; it is not necessary to count them. Artificial ventilation will be indicated by the presence of electric fans. All the shows listed are so-called "store shows," in small rooms, and it should be possible to obtain the desired data by a casual observation.

Be careful to note each item on the schedule.

(1) No. 899 Eighth Avenue, (2) No. 366 West Fifty-ninth Street, (3) No. 114 West Sixty-fifth Street, (4) No. 683 Amsterdam Avenue, (5) No. 217 East Sixty-seventh Street, (6) No. 1153 First Avenue, (7) No. 1196 Second Avenue, (8) No. 908 Third Avenue, (9) No. 797 Third Avenue, (10) No. 699 Third Avenue.

Assignment to be completed: Monday morning.

Training School for Public Service, conducted by Bureau of Municipal Research,  
261 Broadway, New York City.

## ASSIGNMENT ADVICE.

Assistant director in charge: Dr. Allen. No. 445. Date: August 6, 1913.

Assigned to Mr. D. Miller.

Descriptive title of assignment: Help your city complaint bureau.

Work to be performed at office.

*Instructions.*—Prepare a 1,500-word article to be syndicated by the survey, which is taken by about 50 different cities. It must be popularly written and full of concrete illustrations showing the kind of questions that have come in and showing results.

As you have this in hand, it would be a pity for you not to sign this story.

Can you wedge it in among your other assignments without interfering with the complaint-bureau work? This kind of thing all of us have to do in our own time on the fly. From your knowledge of the field you should be able to turn in finished copy within one hour's time.

Please let me know how much time you put on it.

W. H. A.

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Training School for Public Service, conducted by Bureau of Municipal Research, 261 Broadway, New York City.

ASSIGNMENT ADVICE.

Assistant director in charge: William H. Allen. No. 470. Date: September 22, 1913. Funds: Budget. Chargeable: N. J.

Assigned to Don C. Sowers.

Descriptive title of assignment: New Jersey budget-making methods.

*Instructions.*—We have made a preliminary report to a New Jersey citizen on present methods of making a budget in that State. (See report by Mr. Farmer and Mr. Heffernan.) As you see, it is a first draft only. It should be whipped into shape as a formal report which will give the bureau's best experience, judgment, and constructive suggestions to date. Feel free to use the matter from Wisconsin's blanks, from the commission of efficiency's work, Washington, your own visit to Albany. Please consider this a test of how you are to prepare to submit matter by the politicians, newspapers, and public-spirited citizens of a State. It will be an important part of this fall's campaign in New Jersey if we word it right and put into it what Mr. Driscoll calls "punch." Make it the shortest, most direct possible thing and in form which lends itself to use through press, magazines, and pamphlet purposes. You should spend not more than one day in whipping into space the data contained in the two above-mentioned preliminary reports.

Assignment to be completed: September 23.

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Training School for Public Service, conducted by Bureau of Municipal Research, 261 Broadway, New York City.

ASSIGNMENT ADVICE.

Assistant director in charge: William H. Allen. No. 487. Date: November 5, 1913. Funds: T. S. general. Code No. 405S.

Assigned to Franklin Zeiger.

Description title of assignment: Reading of Schrader letter.

Work to be performed at office.

*Instructions.*—Read that portion of Mr. Schrader's letter hereto attached which speaks of fish in Iceland and in America. Take proper steps to see whether it would be profitable for American shippers to have fish come from Iceland.

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Training School for Public Service, conducted by Bureau of Municipal Research, 261 Broadway, New York City.

ASSIGNMENT ADVICE.

Assistant director in charge: William H. Allen. No. 489. Date: November 5, 1913. Funds: T. S. general. Code No. 405S.

Assigned to Mr. Taylor.

Descriptive title of assignment: Tammany Hall organization.

Work to be performed at office.

*Instructions.*—For the next few months there will be a great deal of discussion of the possibility of destroying or rehabilitating Tammany Hall. Talk of destroying Tammany Hall is probably absurd. Talk of rehabilitation is equally absurd unless they go further than the make-up of the men at the top. So far as I know, there never has been a suggestion that the charter of Tammany Hall be qualified or restricted so as to give its own membership a voice in the management and more particular to guarantee complete publicity to its own membership as to what has happened.



Please look into this thing and report when you see your way out as to the possibility of so reorganizing Tammany Hall by charter and by publicity provisions that it will become a veritable bureau of municipal research plus training school for public service plus clearing house for adequate community relief and discussion.

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Training School for Public Service, conducted by Bureau of Municipal Research, 261 Broadway, New York City.

ASSIGNMENT ADVICE.

No. 495. Date: November 10, 1913. Funds: Comp. bur. Code No. 569C.

Assigned to M. G. Wend.

Under direction and control of Mr. Ray.

Descriptive title of assignment: Reckless driving of United States mail wagons.

*Instructions.*—Look up the ordinances passed by the board of aldermen concerning the regulation of street traffic. Pay particular attention to those articles which provide against reckless driving.

Note any exemptions or exceptions made in the case of United States mail wagons. When you have become thoroughly familiar with the laws on this subject make observations in the field, particularly in the downtown district.

Take the registered number of mail wagons which you observe. Note the speed, any reckless driving, street conditions, etc. Also note the time and place.

This assignment is designed to secure specific information to be used in making a recommendation to the board of aldermen that the exceptions made in the case of United States mail wagons be abrogated.

Assignment to be completed: November 13.

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Training School for Public Service conducted by Bureau of Municipal Research, 261 Broadway, New York City.

ASSIGNMENT ADVICE.

Assistant director in charge: William H. Allen. No. 548. Date: December 31, 1913. Funds: T. S. Code No. 509S.

Assigned to R. Moses.

Under direction and control of M. H. Ray.

Descriptive title of assignment: Bureau books and accounting methods.

Work to be performed at office.

*Instructions.*—Please report to Mr. Chadbourne, office manager, for work in connection with the bureau's system of accounts. Bear in mind that this system is in miniature the same system as is being recommended by the bureau for Government departments. At this time your assignment on the books will only last five days. This is in order that you may have an introduction to bookkeeping and accounting and become familiar with the terms used before going out to city offices.

Get a copy of the Handbook of Municipal Accounting and read it while engaged in the above assignment.

Assignment to be completed: January 5, 1913.

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Training School for Public Service conducted by Bureau of Municipal Research, 261 Broadway, New York City.

ASSIGNMENT ADVICE.

Assistant director in charge: William H. Allen. No. 549. Date: December 30, 1913. Funds: T. S. Code No. 531S.

Assigned to F. W. Fiske.

Under direction and control of M. H. Ray.

Descriptive title of assignment: Cost accounting.

Work to be performed at: Department of finance and department of charities.

*Instructions.*—Please report to Mr. McIntyre, who is in charge of the expert accounting department of the department of finance. He will assign you to

work under Mr. Hyer and Mr. Eggleston, of his office. Your first work will be to draw off a quarterly report of the expenses of the street-cleaning department from the general-expense ledger in the office of the chief bookkeeper at the department. This work should be completed within one week. At the end of this time you will again report to Mr. Hyer, who will assign you to work in the department of charities. In this department you will probably be required to act as an instructor in cost accounting to newly appointed bookkeepers.

During this assignment you will, of course, consult with the supervisor and directors of the training school as often as may be necessary.

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Training School for Public Service conducted by Bureau of Municipal Research,  
261 Broadway, New York City.

ASSIGNMENT ADVICE.

Assistant directors in charge: William H. Allen and F. A. Cleveland. No. 630. Date: February 25, 1914. Funds: New York C. C. B.

(NOTE.—No provision was made for any of the results being brought to my attention.)

Assigned to: Training school staff.

Under direction and control of Mr. Snyder.

Title of account to be charged: Help-your-city complaints.

Descriptive title of assignment: Office and in the field.

Investigated help-your-city complaints as assigned.

*Instructions.*—Every complaint, if founded on fact or if sound in policy, will relate to some city department, and will involve a knowledge both of the department's organization for attending to the complaint and its organization in general, and its relation to other city departments, including the body which votes funds.

In assigning these complaints we have in mind that those who investigate shall not only secure certain field contact with conditions, with officers, employees, and citizens, but shall secure also definite information as to department organization and methods. Incidentally, oftentimes the dispatch, accuracy, and suggestiveness, with which investigations are reported upon give helpful hints as to the next experience needed by men and women in the training school.

Please remember that the first purpose of the assignment is to get information promptly and to suggest remedies, but that the first purpose of sending you is that you shall obtain the above-mentioned experience and information.

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Training School for Public Service conducted by Bureau of Municipal Research,  
261 Broadway, New York City.

ASSIGNMENT ADVICE.

Assistant director in charge: W. H. Allen. No. 643. Date: February 10, 1914.

Assigned to Mr. Howard and Mr. Crawford.

Under direction and control of Mr. Snyder.

Title of account to be charged: Snow removals investigations in Brooklyn.

Work to be performed in field.

*Instructions.*—You will go to Brooklyn and make a study of the snow-removal problem there, with special reference to measurements of wagons, number of trips, mode of dumping, contract date, cost, etc.

Assignment to be completed: In a day.

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Training School for Public Service, conducted by Bureau of Municipal Research,  
261 Broadway, New York City.

ASSIGNMENT ADVICE.

Assistant director in charge: William H. Allen. No. 674. Date: February 13, 1914.

Assigned to Mr. Talmadge.



Under direction and control of Mr. Snyder.

Title of account to be charged: Re information concerning automobiles owned and used by various city departments.

Work to be performed at office and field.

*Instructions.*—You will please get complete information on the following points: (1) Number of automobiles owned in the various departments of New York City; (2) on whose order they were purchased, prices paid, by whom used, cost of operation.

This study should be completed by Monday or Tuesday of next week, if possible. The purpose of this study is to obtain the facts stated for the use of the bureau and to give your experience in seeking such information in the proper sources in the city departments.

Assignment to be completed: 16th or 17th.

Training School for Public Service, conducted by Bureau of Municipal Research,  
261 Broadway, New York City.

#### ASSIGNMENT ADVICE.

Assistant director in charge: William H. Allen. No. 675. Date: March 12, 1914. Funds: T. S.

Assigned to Mr. Talmadge.

Under direction and control of Mr. Snyder.

Descriptive title of assignment: Suitability of location of street-cleaning barns.

Work to be performed at field.

*Instructions.*—You will please visit the section headquarters, department of street cleaning, at the following locations: Section 30, 319 East Twenty-fourth Street, rental \$360; sections 1 and 4, 74 Greenwich Street, rental \$1,200; 70 Carmine Street, rental \$560.

Report on the above with respect to suitability of location with reference to area served, number of men accommodated, fairness of rental for property.

In obtaining this information, if possible, confer with the district superintendent in charge of each section visited.

This work is to be done to-morrow, March 13.

The purpose of this study is to obtain information for the sinking-fund commission, which may have to assist it in considering requests made by the street-cleaning department for renewal of leases at the above locations.

Assignment to be completed: March 13, 1914.

Training School for Public Service, conducted by Bureau of Municipal Research,  
261 Broadway, New York City.

#### ASSIGNMENT ADVICE.

Assistant director in charge: William H. Allen. No. 688. Date: March 13, 1914.

Assigned to Mr. Talmadge.

Under direction and control of Mr. Snyder.

Descriptive title of assignment: Municipal buildings.

Work to be performed at office and field.

*Instructions.*—In most communities the buildings bearing the worst reputation for cleanliness, ventilation, beauty, etc., are public buildings. This is probably as true of national and State buildings as of dingy city halls. Too often it is true of schoolhouses as well as of courthouses. Several times we have suggested to volunteers wishing to do practical civic work a quick examination of public buildings from the standpoint of what the citizen without having any special authority can observe from the outside through the corridors, calling at offices, etc. We should have here, in concrete shape, suggestions which could be used by volunteers here in New York or which could be recommended in other cities. For studying national buildings I once suggested a set of questions to the National Civic Federation, addressed to Mrs. John Hays Hammond, Washington. In Woman's Part in Government there are some other suggestions.

With a view to getting the facts about city-owned, county-owned, and nation-owned buildings in this city, obtain from the Municipal Reference Library and

from available digests, reports, inquiries, etc., the data necessary for a list of minimum essentials which you or someone else can use in testing New York buildings. Report this list of minimum essentials to Mr. Snyder and to me. (Consult with Mr. Lindholm, Dr. McCombs, etc.) The first buildings to be studied will be the courthouse; second, the city hall; third, municipal building; fourth, building now used by health department.

Assignment to be completed: March 25, 1914.

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Training School for Public Service, conducted by Bureau of Municipal Research,  
261 Broadway, New York City.

ASSIGNMENT ADVICE.

Director in charge: William H. Allen. No. 697. Date: March 23, 1914.

Assigned to Mr. Lockwood.

Under direction and control of Mr. Snyder.

Descriptive title of assignment: Corporation inspectors.

Work to be performed at field and office.

*Instructions.*—For many years one of the chief opportunities for paying political debts has been through the so-called corporation inspector, i. e., a man whose ostensible business is to inspect work done upon the city streets by street railway companies, gas companies, etc. His salary was paid by the corporation, but he was named by the borough president in charge of public works. See page 24 of our *Municipal Reform Through Revision of Business Methods*.

Just what progress has been made since the above publication no one in New York knows. Supplementing an earlier assignment calling for the facts regarding present practices, it is desired to know what is the practice in other cities. Please learn first what, if anything, can be obtained at the Municipal Reference Library. Try, secondly, the New York Public Library. Thirdly, read the indexes of the principal publications, including engineering and municipal journals; see what the Civil Service Reform Association has.

Report progress daily to Mr. Snyder or to me. We are particularly anxious to learn whether in any places the amount of work done, salaries paid, conditions of appointment etc. are reported to or controlled by the city.

W. H. ALLEN, *Director*.

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Training School for Public Service, conducted by Bureau of Municipal Research,  
261 Broadway, New York City.

ASSIGNMENT ADVICE.

Director in charge: William H. Allen. No. 700. Date: March 24, 1914, Funds: New York health.

Assigned to Mr. Lane, Mr. Peterson, Mr. West.

Under direction and control of Mr. Snyder.

Title of account to be charged: Health department reports, New York City.

Work to be performed at office.

*Instructions.*—Commissioner Goldwater, through Secretary Fiske and Dr. Baldwin, now in charge of the health department's public education work, has asked that we make suggestions as to weekly bulletins, quarterly report, and annual report which will improve either form or content. More particularly we are asked to be of help with regard to the proof of the 1912 annual report, which should be issued at once. Mr. Lane is making a study of health bulletins published by cities and States.

You will be given a section of the report proof. In reading it have in mind points which I had in mind last night, as to the essential factor of a reporter—desire to know unit of inquiry, account, comparison, subtraction, percentages, summary, classification. Thus, with respect to every statement of fact for each section and every table, ask yourself: "Does this table indicate that the person writing it wanted to know the particular facts which would help the town or help the administrator? Are the things listed the right units of inquiry? Are the comparisons set up in such a way that the reader takes in at once the truth of comparison? Are unlike things put into the same column or the same total?" All these have to do with content primarily and only indirectly with form.



In addition read proof to see whether or not what has been told is told in proper English, proper spelling, proper use of plural and singular, proper brevity, proper clearness. This proof costs money. Therefore we want to make our corrections tentatively either on slips of paper or, when space permits, on the extreme left or right margins, so that there will be room enough for Mr. Fiske and Dr. Baldwin to insert their final instructions to the printer.

Remember there are three purposes in this study: (1) To improve the report if we can, (2) to give you information, (3) to show us what power of analysis and capacity for detail you can give to proof reading.

It is not possible to make radical changes in this particular proof. It is former Commissioner Lederle's report, and must go out substantially as set up, except for typographical and proof corrections. Another assignment will cover analysis and criticism of this proof to be used for the 1913 report.

WM. H. ALLEN, *Director*.

Training School for Public Service, conducted by Bureau of Municipal Research,  
261 Broadway, New York City.

#### ASSIGNMENT ADVICE.

Director in charge: William H. Allen. No. 701. Date: March 24, 1914.  
Funds: New York health.

Assigned to Mr. Lane, Mr. Peterson, Mr. West.

Under direction and control of Mr. Snyder.

Title of account to be charged: Health department reports, New York City.

Work to be performed at office.

*Instructions.*—One of the principal services of Mayor Gaynor's administration, due primarily to the interest taken by his secretary, Robert Adamson, now fire commissioner, was to start the standardization of departmental reports. As the mayor is on the board of city record, which prints reports, and as the reports must also come to him in his capacity as mayor, any mayor who wishes and knows how may set a minimum standard as to content, form, size, etc., of reports.

As stated in assignment No. 700, the training school has been asked to suggest improvements, if we can, in the health department reports. As our base we start with the proof of the health department report for 1912. We have preceding reports. From the health department we can get reports of other cities, such as Montclair, Providence, Seattle, etc. In the administrative code prepared by the bureau of Portland are the best suggestions which we were able to get last summer. We should be able to do better to-day because, in the language of the farmer, "our whiffletree is near the center of the bull wheel"—i. e., we are asked to do a task of potentially big service for our home city, to be used at once by one of our own group as well as by the department.

Take the sections of the report given to you by Mr. Snyder, indicate on separate slips of paper every statement that is not clear, every general statement that is not proved by supporting data; all tables or statistical statements which do not of themselves explain their meaning and which lack editorial interpretation, all tables which fail to show that in preparation the department did not conform to a standard of minimum essentials—unit of inquiry, account, comparison, subtraction, percentages, summary, and classification.

Individually first and later in conference with others working on this assignment, list the improvements in typography. Here we have an absolutely free hand, so far as our assignment is concerned. We may suggest any kind of type, any kind of tabular arrangement, any kind of paragraphing, illustrations, graphs; after each one of us has individually made his own suggestions we shall put them all together and in conference prepare a composite list for consideration by the department.

WM. H. ALLEN, *Director*.

Training School for Public Service, conducted by Bureau of Municipal Research,  
261 Broadway, New York City,

#### ASSIGNMENT ADVICE.

Assistant director in charge: Dr. W. H. Allen. No. 710.

Assigned to Mr. Jessup.

Under direction and control of Mr. Snyder.

Descriptive title of assignment: Inspection service in the health department.

Work to be performed at: Field.

*Instructions.*—You will report to Mr. Fiske at the health department for a study of the inspection service of that department. It is desired that you should become well acquainted with the inspection work done by this department, touching sanitary inspection, food inspection, and sanitary food inspection. You are to use your own judgment as to the best methods of getting acquainted with this subject, but should arrange to make the rounds of several inspection districts with inspectors of the department and then follow the same procedure on your own initiative. It is expected that when you are through with this study that you will be sufficiently well acquainted with the health-inspection service to criticize faulty methods and make recommendations as to changes which would operate for the improvement of the present inspection service of the department.

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Training School for Public Service, conducted by Bureau of Municipal Research,  
261 Broadway, New York City.

ASSIGNMENT ADVICE.

Assistant director in charge: Dr. Allen. No. 749. Date: April 15, 1914.

Assigned to Mr. Parlin.

Under direction and control of Mr. Snyder.

Descriptive title of assignment: Study of street cleaning department.

Work to be performed at: Field and office.

*Instructions.*—Commissioner Fetherston, of the street cleaning department, faces a number of interesting problems in his work. He has assured us that he believes we may be of some help to him in reaching a solution of these problems. You will therefore report to Commissioner Fetherston and put yourself at his service for work along lines as follows:

(a) Familiarize yourself thoroughly with the detail of street cleaning throughout the entire city, particularly with reference to the methods of inspection. Mr. Fetherston is considering a reorganization of the inspection service, and your study should be so carried on that you may be helpful to him in working out this problem.

(b) Mr. Fetherston is considering the organization of a school for employees of the street cleaning department. You will make a study of the labor required to do the several kinds of work, as street sweeping, emptying cans of ashes and garbage, so that you may be in a position to make suggestions to Commissioner Fetherston in working up a teaching plan for such a school.

(c) In attacking the problem of street cleaning, Commissioner Fetherston feels that he must bear in mind the industrial or commercial characteristics of different sections of the city, and to this end he desires to prepare a map of New York showing such parts as tenement districts, manufacturing districts, wholesale districts, retail districts, high-grade residential districts, etc. You will make a study of this problem also so that you may assist in working it out.

(d) You will use your own initiative in approaching any other problems that may present themselves to the street cleaning department.

The purpose of this assignment is, from your point of view, to give you such contact with the street cleaning department that you may familiarize yourself with every detail of its management. This study is to be completed only when we feel that you have done as much as may be done by you in the direction indicated.

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EXHIBIT D.

MARCH 4, 1914.

MR. ALFRED WAGSTAFF,

Clerk, Appellate Division,

Supreme Court, First Judicial Department, New York, N. Y.

DEAR MR. WAGSTAFF: I find that the division of our office which handles our publicity service has made a mistake by way of furnishing to the newspapers of the city a flimsy in relation to a notice which appeared in the Law Journal



on the 20th ultimo, over your signature, designating 10 newspapers as having a circulation calculated to give notice of legal publications. The assumption was that this designation made these papers the only ones that were entitled to give notice of legal publications, and a flimsy was prepared for the press, for release on March 2, on that assumption.

Going into the matter, we now find that about November 1 some 18 papers of large circulation were designated and that this is a supplementary list.

In view of these facts, I apologize to you and to the court for the part which we have taken in such publicity as has resulted.

As a matter of fact, I find from our clipping service that the World and the Times had published editorials on the subject before the date of release of our flimsy, and so far as we know the American is the only one that had a story making use of our material.

Very sincerely,

F. A. CLEVELAND, *Director*.

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## ROCKEFELLER INTERESTS IN COLORADO.

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(For exhibits under this subject see pages 8864 to 8948.)

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## COMMISSION ON INDUSTRIAL RELATIONS.

WASHINGTON, D. C.,  
Wednesday, May 19, 1915—10 a. m.

Chairman WALSH. Is Mr. Gaddis present?

### TESTIMONY OF REV. EUGENE S. GADDIS.

Chairman WALSH. What is your name, please?

Dr. GADDIS. Eugene S. Gaddis.

Chairman WALSH. What is your profession or calling?

Dr. GADDIS. Minister in the Methodist Episcopal Church.

Chairman WALSH. How long have you been in the ministry?

Dr. GADDIS. Twenty-seven years.

Chairman WALSH. Are you a regularly ordained minister of the Methodist Episcopal Church?

Dr. GADDIS. Yes, sir.

Chairman WALSH. What is your residence?

Dr. GADDIS. Cincinnati—I have been away from there, though, for about two years and a half.

Chairman WALSH. Are you a graduate of any school of learning or institution in this country?

Dr. GADDIS. My education has been in the schools of Dayton, Ohio, and the theological school of Evanston and Boston.

Chairman WALSH. Have you had any connection with the Colorado Fuel & Iron Co.?

Dr. GADDIS. Yes, sir.

Chairman WALSH. What was it?

Dr. GADDIS. I began as the camp minister in the Trinidad district, and about a year or 10 months after I began, I became superintendent of the social work of the entire camp system.

Chairman WALSH. That includes what camps, please, in Colorado?

Dr. GADDIS. It includes all of the work of the Colorado Fuel & Iron Co., in particular their four different branches, their coal and iron and rock and timber camps.

Chairman WALSH. Did I understand that it was confined to Colorado?

Dr. GADDIS. No, sir; it is not; there are iron mines in Wyoming, and one in New Mexico, although I never visited that mine in New Mexico.

Chairman WALSH. By whom were you employed—what individual employed you?

Dr. GADDIS. My predecessor, Rev. Walter Morritt—I obtained the work through him, through his instrumentality.

Chairman WALSH. In addition to doing this sociological work, did you have any church or parish or church of your own that you administered to people?

Dr. GADDIS. My work was first, as I stated, as religious worker principally in the nine camps of the Trinidad district. That was purely religious, taking in simply what was known as the Trinidad district, and then, when I became superintendent of the sociological work, my work was broadened into the educational and social, and I incorporated in it, looking after the work along hygienic lines.

Chairman WALSH. Now, what opportunity did you have for observation into the everyday working of the way the Colorado Fuel & Iron Co. dealt with the men and women in their camps?

Dr. GADDIS. I considered it one of the very best—a very close range. I was intimately acquainted with the miners and their families; I visited them and



they entertained me; and the relations I sustained to them and to the operators, until within a few weeks before I severed my relations with them, was one of confidence.

Chairman WALSH. Do you understand their everyday lives, the complaints, if any, they had against the company; their method of expression, how they felt leading up to this strike and afterwards, and all about it?

Dr. GADDIS. I can not say I know all about it, but I know considerable.

Chairman WALSH. You had a standpoint from which you could understand their feelings?

Dr. GADDIS. Yes, sir.

Chairman WALSH. Now, have you prepared a statement which to your mind covers generally the situation out there, so far as the company and the human beings working for them is concerned?

Dr. GADDIS. I have.

Chairman WALSH. Would you be kind enough to submit it, if you prefer to do it that way; I think we would like it.

Dr. GADDIS. Yes, sir; I would be glad to do that.

Chairman WALSH. Very good; just read it to us.

Dr. GADDIS. I would like to say, Mr. Chairman, in the reading of this I may add some things that come to me that are not here, and I have a number of quotations from various sources in this memoranda, and I am not going to stop to note that they are quotations in reading them.

Chairman WALSH. Very good; just do it in your own way, and then you can submit the whole document to the record.

(The witness submitted several documents, which appear at the end of this subject as "Gaddis Exhibit.")

Dr. GADDIS (reading):

#### "PRELIMINARY STATEMENT.

"The United States is the largest coal-producing country in the world, exceeding England's annual output over 200,000,000 tons.

"In 1864, the virgin year for the Colorado collieries, 500 tons was the yield; in 1910 over 12,000,000 tons were dug; last year a tonnage of some 8,000,000 was recorded, giving the State the ninth place among the 28 coal-mining States of the Union. The Centennial State is destined to take much higher rank than previous ratings, as the United States Geological Survey estimates her workable coal fields at 10,130 square miles.

"The Colorado Fuel & Iron Co. mines 35 per cent of the State's total output of coal and is the largest company loading the 'black diamonds.'

#### "COMPONENT PARTS.

"This corporation was formed in 1892 by a coalition of the Colorado Fuel Co. and the Colorado Coal & Iron Co. The following subsidiary branches were subsequently acquired or developed: The Colorado Coal & Iron Co., the Colorado Supply Co., the Colorado & Wyoming Railway, the Crystal River Railway, the Grand River Coal & Coke Co., the Rocky Mountain Timber Co., the Colorado Industrial Co., and the Mountain Telegraph Co. (part owners)—as I understand it, they are equal owners of this with the Victor-American Fuel Co.—the Minnequa Town Co., the Pueblo Realty Co., the Hospital Association Co., the Red Stone Improvement Co. (part owners), and the Minnequa Cooperage Co.

"The fourteenth auxiliary has lately been made an adjunct to the Rocky Mountain Timber Co."

Chairman WALSH. When was it that Mr. Bowers came?

Dr. GADDIS. I think six or seven years ago, as I understand it. [Continues reading:]

"Cattle raising on a large scale will soon be tried. Expiring leases on the Maxwell land grant are not being renewed; the acreage to be reserved for coming herds of beef on the hoof.

"The purchase of between 250,000 and 300,000 acres of the above-mentioned territory deprived many ranchers of what they had concluded was their inalienable property rights. A representative of the company, accompanied by a band of hair-trigger cowboy desperadoes, clothed with the dignity of a deputy sheriff's commission, proceeded to settle disputed claims. At Stonewall one man was shot dead in cold blood; all enemies were put to flight; and the

raid guaranteed clear titles to vast regions of coal and timber land. The leader of these bandits was lately eulogized by one of the board of directors in saying: 'They don't make 'em much better than the old man.'

In the general mêlé, of course, no one knew just how the tragedy occurred; but unquestionably they murdered that man at Stonewall, and as surely as Cain killed his brother Abel, these claimed supporters of the dignity and authority of the State caused this man's blood to cry out from the ground against the Rockefeller representatives who piloted the gang.

#### "STAKEHOLDERS.

"In October, 1914, the twenty-second annual exhibit came from the press in pamphlet form, 'Capitalization \$36,325,000; bonded debt, \$45,158,000; summary of total assets, over \$101,000,000.'

"Rockefellers own 40 per cent of the preferred and 40 per cent of the common stock; also 6½ per cent of the 'general five' bonds. There are 2,000 other stockholders.

"In the early days of the strike agitation the newspapers boldly affirmed that the company had accumulated a \$5,000,000 reserve fund with which to defeat the efforts of the United Mine Workers. The allegation was denied, but the snug sum furnished the foundation for a serene complacency and a course of tactics otherwise impossible. Often heavy drafts on this reserve fund for 'strike expenses'; cash on hand in the financial report, is tabulated at over four million.

"Six years ago Welborn was not regarded as a man of large enough caliber to properly conserve the allied interests of which he had been made president. He 'was not trained as an operator of a large corporation.' Bowers, clothed with authority from 26 Wall Street and sufficient proxies to constitute him sole arbitrator in all minor and major matters to which he might address his attention began to put into telling effect his former 'experience in organization and management.' 'It is true I represent the Rockefeller interests,' is his asseveration. The Damocles sword that Bowers suspended over the heads of the officers in the Boston Building in Denver reduced them to manikins and office boys."

Our predecessor in office told us when in Denver always to speak to Mr. Welborn; that he felt humiliated in his present position. [Reading:]

"Testimony was given before the Federal Commission on Industrial Relations, sitting in Denver last December that Bowers was still a resident of Denver. Absentee landlordism was not a palatable phrase for the operators. Months before this statement was made Bowers had sold his Denver property and removed his family to the East. He had fully determined to 'turn things over to the boys,' and there was much rejoicing at the prospect that he would be content to give them chiefly 'absent treatment' in the future.

"At 68 years of age Bowers was wearied with carrying the rasping details of a large business; and while the case of industrial malpractice was being adjudicated in the court of public opinion, he retired to his eastern home"; having labored four consecutive days with Mr. Rockefeller before he would release him. Before leaving Denver he wrote me to address all future communications for my department to Mr. Welborn, who had greatly developed under Mr. Bowers's tutelage. But Mr. Welborn was too busy, and he referred me to Mr. Weitzel, an ex-coal digger. E. H. Weitzel was as well qualified to act in connection with the sociological department as Johnson would be with reference to a kindergarten.

"About 25 years ago four-fifths of the men in the Colorado collieries spoke the English language. The Welsh, English, Scotch, and Irish were the predominating races. To-day the ratio has been exactly reversed; and the English-speaking employees average about one-fifth of the people in the camps.

"Aliens in the fullest sense of the word have been encouraged to crowd out the higher-grade immigrant. To lower the scale of those living in the cottages raises the total footing of the scales on the tippie. The less it costs to keep camp citizens satisfied the less danger there is of public sentiment forcing expenditures for improvements. The camp that can mine the largest amount of coal at the lowest possible figure carries the banner.

"In 1913 some 200 coal mines were operating in the State. Twenty of these represented the Rockefeller holdings. Without being too technical the coal deposits are divided into the northern, southern, and western sections. The C. F. & I. Co. are working in the southern and western areas.



"In July and August of 1914 the company had on their pay rolls 7,786 manual laborers, representing 32 different nationalities, principally from southern Europe. The heavy percentage of illiteracy fixed their rating as low almost as present conditions in old Mexico. Many of them could neither read nor write their own language."

I have signed the name of a man who handed me his card to be taken to the office. He could only make a cross. [Reading:]

"A few years ago in Las Animas County, which produces 50 per cent of the coal of the State, there was found 18 per cent of the population and one-third of the State's illiteracy. Some of the strikers thought Rockefeller was the President of the United States.

#### "LOCATING RESPONSIBILITY.

"Mr. Rockefeller has not been in Colorado for 10 years and seldom attends a meeting of the C. F. & I. board of directors. His ignorance of real conditions in the camp villages enables him to testify under oath: 'I should not have known how more conscientiously to carry out my full duty toward them than I have.' 'The fact that they brought no complaints at all, would indicate to me that they had no grievances.'

"For several years prior to the 15 months' war in Colorado, which aroused the whole Nation, neither Bowers or Welborn were cognizant of policies and practices in dealing with the miners, except as represented to them by inferior officers. Mr. Bowers took the position that to grant the right of appeal with the type of characters with whom they had to deal was to invite chaos—appeals to Welborn, which we are glad to say he allows, if they were considered at all, would only emphasize the severity of the régime."

He told me his men in the Boston Building did not take complaints over each other's heads; and that the camp régime was the same. I am glad to say that I know Mr. Welborn disagreed with this position.

"A 'down-the-canyon' verdict was not likely to be reversed at the office of the general boss, for he is the kingbolt of the machine that must be kept running smoothly. The superintendent can easily erect a wall between himself and the division manager, which only calloused temerity would tackle. At the bottom of the pit with pick and shovel, the miner frequently found a grafting pit boss on his back."

Just within the last three months a pit boss whom I know and can mention by name at Camp Lester was discharged for taking bribes from miners.

"The Federal grand jury which sat in Pueblo during the strike trouble thus portrays the situation: 'Miners generally fear to complain of real grievances, because of the danger of being discharged or being placed in inferior places in the mines. Many miners apparently believe that employees have been discharged because they have made a request for checkweighmen.'

It is a common saying among miners that they invite their own "canning," or it was equivalent to being canned to ask for a checkweighman.

Chairman WALSH. The absence of checkweighmen was one of the grievances the men had that went on strike; is that correct?

Dr. GADDIS. Yes.

Chairman WALSH. They claimed the companies cheated them on the amount of coal they actually dug out of the ground; is that correct?

Dr. GADDIS. Yes.

Chairman WALSH. And the demand was that they should have men of their own selection who could see that they were paid for what their labor produced?

Dr. GADDIS. It was guaranteed them by the State law. [Continues reading:]

"The responsibility for about 50 per cent of all of the miners of the State laying down their tools lies at the door of the local coal-camp officials, supported by those immediately over them, the division superintendents and the general manager."

In support of that statement I will read a letter from a miner at Frederick, who went out as a striker September 23. I knew him very well, and he is a man I am perfectly willing to vouch for any statement that he makes:

"Personally, I think the strike is of no benefit to the workers; and I even think that some of the smaller officers were more to blame than the stockholders," as he puts it.

"The camp superintendents as a whole impress me as a most uncouth, ignorant, immoral, and, in many instances, the most brutal set of men that we have ever met."

Chairman WALSH. Is that your experience generally, as to these subbosses as you went through those camps in sociological work?

Dr. GADDIS. Yes. In my first interview with Mr. Bowers at Denver, at the suggestion of Dr. Corwin, I asked him if it was not possible, in the advanced stage of the coal industry in the United States, to secure a higher grade of men to act as superintendents of the mines. At that time I spoke of these men as blasphemous bullies, and I have never been able to change my mind. [Reading:]

"When ex-mine mule drivers and 'rope riders' are given the arbitrary authority of a provost marshal, in communities varying in size from 200 to 1,000 souls, an individual has been evolved which can only be found in the closed camps of the coal barons or other mines so controlled.

"On the day of the great walkout a super ordered his gunmen to drive the red necks——

Chairman WALSH (interrupting). "Super" is an abbreviation for superintendent?

Dr. GADDIS. Yes; that is a very common expression. [Reading:]

"On the day of the great walkout a super"—at Morley—"ordered his gunmen to drive the red necks—strikers or their sympathizers—off the company property. The zealous deputies refused to permit some men to assist their families to pack their household goods. They were not allowed to stop at the Santa Fe Railroad station, not located on C. F. & I. territory. Only after telegraphic remonstrance from railway officials were the men allowed to wait for the trains."

Chairman WALSH. Were there women and children there?

Dr. GADDIS. I think these were men; they allowed the women and children to stay and pack up their effects.

"After the famous battle of the 'Hogback,' where incessant firing for 50 consecutive hours occurred, a super from the Walsen mine of the C. F. & I. Co. was drunk on the streets of Walsenburg.

"For years a super has been retained at Primero, in one of the largest camps in that district, whose periodical drunken exploits are a disgrace to the whole county."

The manager of the fuel department stubbornly refuses to remove the man. [Continues reading:]

"About a year ago the super at Gulch was let out, whose notorious camp record became unendurable. He soon afterwards opened a saloon in Denver.

"Men who do not know how to speak emphatically without plasmphemy, or to enforce discipline without brutality, and who are quite likely to have their efforts seconded by 'camp marshals whose appointments and salaries are controlled by local companies, have exercised a system of espionage and have resorted to arbitrary powers of police control. These, taken with brutal assaults upon the miners, have produced a general dissatisfaction."

This last clause I have read is a quotation from the Federal grand jury's report.

Chairman WALSH. Is there no right of appeal to the State officials? When you say they are brutally beaten, is there no appeal to any official?

Dr. GADDIS. Yes; they can appeal to the super or the division superintendent.

Chairman WALSH. You say the superintendents are the brutal men?

Dr. GADDIS. They are.

Chairman WALSH. Is there no one to protect these people? Is not the State of Colorado represented by impartial officials that will protect these men?

Dr. GADDIS. The State of Colorado is represented in the closed camps and in some open camps by justices of the peace, who are company men.

Chairman WALSH. You mean they work for the company?

Dr. GADDIS. They do. [Reading:]

#### "VIOLENT DEATHS.

"The geological formations in the Rocky Mountain region makes mining peculiarly hazardous. There are two deaths here for every one in all other coal fields in the United States. The Rockefeller company has made a heavy contribution to this mortality. The following explosions in recent years have occurred in the Rockefeller mines: April 2, 1906, Quatro, 19 killed; January 23, 1907, Primero, 22 killed; May 5, 1907, Engleville, 5 killed; January 31, 1910, Primero, 76 killed; October 8, 1910, Starkville, 56 killed. Total, 178 in five years.

"When the second Primero explosion occurred, the leading pastor of Denver, Dr. Robert F. Coyle, of the First Presbyterian Church, from his pulpit declared



the lives had been sacrificed on the altar of corporation cupidity. By telephone, the Rockefeller representative, Mr. Bowers, said he wished to make explanation; to which the good man replied, 'There is nothing to be explained.' For these utterances he was blacklisted along with the 'muckraking magazines, socialistic preachers, trust-busting political shysters, and their bedfellows—the agitators and anarchists.'

"During a recent period of a little over two years there were nearly 180 violent deaths in mines in Las Animas County. Within a period of eight years and a radius of some 150 miles of Trinidad 564 lives were crushed out. In 1914 statistics presented by the United States Bureau of Mines charges 108 deaths to Colorado. More than two human lives a week was the toll exacted."

Chairman WALSH. Do those workmen out there of the intelligent class, of intelligent character, do they claim that is violence being used against them, the happening of so many accidents? Do they classify that as violence on the part of the company?

Dr. GADDIS. They dare not speak out their minds.

Chairman WALSH. Well, in their minds as they do express it, the intelligent ones, do they class that as violence?

Dr. GADDIS. I am going to refer to that in a special instance later.

Chairman WALSH. Go ahead.

Dr. GADDIS (reading): "For three years past the number of violent deaths for every 1,000 employees has increased. Fifty per cent of these fatal accidents are preventable, and yet an adverse deliverance of a coroner's jury was but once levied against the company during the past 10 years.

"That perjury before the coroner is common no one will deny that has serious regard for a breach of the ninth commandment."

The State superintendent of mines, Dalrymple, has gone on record as saying, "The strained relations between employees and employer are responsible for many accidents." [Reading:]

"A few weeks ago a pit boss and colored miner were killed at Walsen by two runaway cars. It was a topic of conversation among the men of this camp, that the cars had not a double coupling, as required. The company was exculpated" before the grand jury, and the super assured the deputy State mine inspectors that the cars were double coupled."

A few weeks after that incident some 50 colored men were discharged from the Walsen mine, and it was there where this report originated that the cars were single coupled; it started from the colored miners. This very grave offense, we are glad to say, was corrected by the officials and the super was required to reinstate the men. [Reading:]

"Coal at any cost seems the avowed policy of not a few of the petty bosses. That a drunken spree is really a good thing, for the miner will work harder to make up for loss of time when he is able to reach the face of his room again," was the opinion of the superintendent, Charles O'Neill, of the Berwind and Tabasco mines.

Chairman WALSH. Where did you get that information, that it was the opinion of the superintendent that the men would work harder after a drunken spree?

Dr. GADDIS. He told me so in the mine office to my face, Mr. Charles O'Neill.

Chairman WALSH. Were you trying to work to have the men not go to work in that way?

Dr. GADDIS. I was; that was a part of my work.

Chairman WALSH. And you had a conversation with the superintendent in which he told you that the miner will work harder after a drunken spree?

Dr. GADDIS. Yes.

Chairman WALSH. Do you treat of that in your paper?

Dr. GADDIS. Yes.

Chairman WALSH. Do the companies substantially own the saloons where these men get drunk?

Dr. GADDIS. They do in some camps. At Primero they get \$1,500 a year rent for a building that cost only \$3,000.

Chairman WALSH. And they form the habits of these men?

Dr. GADDIS. Yes.

Chairman WALSH. Proceed.

Dr. GADDIS. [Reading:]

"Of the much-advertised welfare agent 'as a mediator between the company and its employees,' we believe his work will only tend to intensify the despic-

able oppressiveness of the past few years. One super at least has already been informed, *sub rosa*, that there need be no undue concern about this new officer limiting their suzerainty. He had been in the field but a few weeks when he effected the discharge of a man with a family to support on the word of a woman of questionable character. The evicted employee was given no opportunity to present his side of the case.

"It is almost farce to presume that a pet appointee would fearlessly and impartially bring things to the surface that would disturb the imperturbable equanimity of the one who must O. K. his monthly salary account.

"The assembling of camp delegates in Bower's old office on January 19, in which complaints were solicited, and a generally bumptious good time, with free auto rides, banquet, and theater party as a part of the program, in addition all expenses being paid to and from their respective camps, was a decided hit."

Chairman WALSH. What was the camp delegates? What do you mean by that? Is that this new scheme they call collective bargaining out there, by which the employees can present grievances for adjustment?

Dr. GADDIS. That is what it is claimed.

Chairman WALSH. You called them "camp delegates," and that they had a convention. How do you say it was done?

Dr. GADDIS. These men were elected, and the orders given were from Denver that no local officials should attend the meeting of any camp where they were elected, but that the men were to elect their own men—that was the supposition—to go up there and air their grievances before Mr. Welborn and Mr. Weitzel and a mediator, Mr. David Griffiths. [Continues reading:]

"And many of the men showed a freedom such as one might expect from them in a meeting exclusively of their immediate associates. If two of the members of this 'Denver convention' represented the rank and file of that body, the form of the past years will not be altered. One of these said members has for some time made more money in his camp than the super himself.

"Another son of Ham who sat in this first assembly of coal-camp patricians and plebians owed the company store a bill of over \$80, which the manager had almost despaired of collecting, and for more than a year this same accredited subject had been paying back the store on a \$100 advanced for his wife's funeral expenses."

Chairman WALSH. Now, this was a Negro, was he?

Dr. GADDIS. Yes, sir.

Chairman WALSH. Now, you say, however, the men were given to understand that they would choose these men democratically; that is, the company was not to interfere?

Dr. GADDIS. I do.

Chairman WALSH. Well, then, for instance, take this sort of a case, how would it work out, the criticism of this man being that he was beholden to the company for an indebtedness? First, I will ask you, is that a negro camp?

Dr. GADDIS. No, sir.

Chairman WALSH. How did he happen to be representing the white men there—a man that was so—

Dr. GADDIS. I could not say, Mr. Walsh. There are some things that happen that I can not explain.

Chairman WALSH. Go ahead.

Dr. GADDIS (reading):

"A good square kick could hardly be expected from such sources.

"Again the remembrance of so many of their former comrades being 'canned' for squealing would not be forgotten amidst the grandeur and informality of their temporary environment.

"A few weeks after this meeting a representative from headquarters inquired of a super if 'the men thought we were trying to put one over on them?' There is room for suspicion that 'one is being put over on the public and that the various investigating committees are having dust thrown into their eyes; for presto, the lion has been changed into the lamb.'"

If the investigating committees can be kept out of Colorado for the next six months or a year the old shackles of oppression will have received so many new rivets that it will take the hellish fires of another strike to loosen them. [Continues reading:]

#### "POLITICAL MANEUVERS.

"In the fall of 1912, the present brightest star in Rockefeller's Colorado legal galaxy publicity attacked the corporations in the following language: 'You



who have been attending conventions for the last 10 years in Colorado know very well, if you are honest with yourselves, your neighbors, that you can not put your finger on a single item of convention legislation, in the way of platform or nomination, in which you were instrumental. They have probably given the local superintendent of the mine, the number of delegates to which the community is entitled. He knows he is to select a certain number of men who are to come in and follow the dictation of a single man whose name is given them before they leave. Candidates are selected not with a view of their fitness, not with a view of their ability to discharge their duty, not with a view of their integrity, but "are they satisfactory to the company?" "

This is a quotation from Judge Northcutt's speech at Lamar.

Chairman WALSH. When did he make that speech?

Mr. GADDIS. Fall of 1912.

Chairman WALSH. Is that the same Judge Northcutt that is prosecuting these men out—

Dr. GADDIS. I refer to that in my next clause.

Chairman WALSH. Now, just a moment. I want to ask you was Judge Northcutt, who was making that speech in the fall of 1912, stating the facts, from your observation of the conditions and of the camp?

Dr. GADDIS. I believe that he was; and I will give you a concrete illustration here in a few moments. [Reading:]

"This man," Judge Northcutt, "was too formidable an antagonist to be at large. Last year no more doughty champion than he defended the Rockefeller interests. The Chronicle News, the Trinidad evening paper, which he owns and controls, went beyond all limits to out-Herod Herod in their fight against the miners. The city editor of this paper so exasperated the strikers that he apparently considered it the part of wisdom to seek employment in another city.

"The frequent number of conferences the manager of the Trinidad Morning Advertiser had with the Trinidad and Denver office would justify the opinion that the nature of the many columns of their advertising he was carrying needed particular attention."

Chairman WALSH. One moment. Is Judge Northcutt connected with a newspaper?

Dr. GADDIS. He owns and controls the Chronicle News.

Chairman WALSH. The Chronicle News, of Trinidad?

Dr. GADDIS. Yes, sir.

Chairman WALSH. And they sent out editorials that were copied through the papers of the country highly laudatory of these coal companies?

Dr. GADDIS. You mean copies of Judge Northcutt's editorials?

Chairman WALSH. Yes; they published very laudatory editorials about the company and its management of its coal department, and those were sent out throughout the country, and, so far as people in the East were concerned, they would imagine they were from some independent newspaper source, but in fact and really it was owned by Judge Northcutt. Is that correct?

Dr. GADDIS. It is, so far as the Chronicle News is concerned, and I think it is also true as to the Morning Advertiser.

Chairman WALSH. Now, was it in that office of the Chronicle News after this trouble was begun that it was found that arms were stored and munitions to be used against the strikers?

Dr. GADDIS. Well I think so; it was so reported to me. I could not verify that from personal knowledge.

Chairman WALSH. Well, in the congressional committee's investigation and in our testimony it was stated that they found boxes of ammunition and guns, etc., in this newspaper office.

Dr. GADDIS. I don't doubt it a minute.

Chairman WALSH. Go ahead.

Dr. GADDIS. [Reading:]

"The deliverance of the ex-judge was by no means an anachronism. The company camp delegates to the Las Animas Republican convention in Trinidad last spring, 1914, were closeted with the general boss of the fuel department just before they went to the convention hall," of which procedure I was a witness. I saw these men go in with him and come out, and I recognized several of them. 'If the Republican ticket is not elected, some one will be out of a job,' was a threat put up to us by the surgeon general."

Chairman WALSH. Put up to you personally?

Dr. GADDIS. It was. I considered it not a threat, but just telling me where to head in and where to use my influence.

Chairman WALSH. Well, did you hear that put up to other men working for the company there?

Dr. GADDIS. I don't know that I did. I know he made the remark to me.

Chairman WALSH. That was in the election just past, of 1914?

Dr. GADDIS. Yes, sir. [Continues reading:]

"In the ballot at polls at Terico, November 3, 1914, the company store manager and mine weigh boss served as camp election judges, which is in open violation of the statutes of Colorado. While in this same camp the superintendent and marshal lined things up on the outside. Returns from this camp were quite satisfactory."

Chairman WALSH. Was any complaint made about that alleged violation of the law?

Dr. GADDIS. I never heard there was.

Chairman WALSH. Well, is there anyone there to look out for that on behalf of the State—that is, for the disinterested people of the State—that would complain about and bring a prosecution for a thing like that if it is true?

Dr. GADDIS. I do not think anyone will doubt it is true.

Chairman WALSH. No; but I am accepting it as true. But I asked you—

Dr. GADDIS (interrupting). The company, in communities like that, overshadows everything; and even men that oppose them politically are almost afraid, for commercial purposes, to come out in an open fight.

Chairman WALSH. Now, you say that is in direct violation of the statutes of Colorado for those people to act as election officials?

Dr. GADDIS. It is; yes.

Chairman WALSH. Now, the statute of limitations has not run against that, has it; if the law is operative in Colorado, those people could still be prosecuted for that crime?

Dr. GADDIS. They can. [Reading:]

"On this same day the clerks in the Denver office were so moved by patriotic principles as to almost desert their desks, to a man, for efforts in and about the polls.

"In the last legislature a company store manager sat as a member in the lower house, who is said to have blandly asserted that he was a corporation man."

This is the store manager for Morley, now in charge of the Trinidad store.

Chairman WALSH. Is he a member of the legislature?

Dr. GADDIS. Not the present one; the last one. [Reading:]

"Several years ago the State legislature found the large corporations so sensitive to restrictive measures that they put up dummy bills as scarecrows; and the fear of obnoxious laws subsided, as the State lawmakers were reduced to a set of blackmailers.

"From a high tribunal the charge is hurled 'the coal companies are sufficiently influential to nominate, elect, and control many country officers, and have done so, with the result of complicating the industrial situation by arousing political prejudices.'

"In 1912 a notice was posted in the camps of the company that 'every one of its employees shall be free to vote as he sees fit.' A hard-working company railway man who dared to be a Democrat was decapitated a few months ago, in spite of the declaration of political independence above quoted.

#### "SOCIOLOGICAL FEATURES.

"The propaganda for social-welfare work was first introduced by making the surgeon general, Dr. R. W. Corwin, the superintendent of the department. The casa vivienda (living house) of the hospital medical staff at Pueblo is a commodious structure, which modern science and a liberal amount of money have made a place of beauty and luxury. It is situated in a 20-acre cultivated wooded campus, with the hospital buildings in the same inclosure.

"The surroundings at Minnequa have had the same effect upon the sensibilities of the leaders there as the anesthetics they administer to patients in the operating room. The lack of comforts, the squalor and filth of the camps, is so far removed from these gentlemen that they are little touched 'with the feeling of infirmity' for those who must endure the hardships of camp life. An appeal to the surgeon general for relief of some despicable situation seldom meets a prompt and adequate response.



"We are not engaged in the philanthropic business' was the deliverance of the head of the medical department when solicited to assist those near the hospital who were voluntarily supporting a work that Rockefeller's millions should have long ago put on a firm footing.

"After a few years' trial of the above plan a minister, Rev. Walter Morritt, was employed to act as superintendent of the department of sociology, and also business manager of Minnequa Hospital. To advance the religious, educational, and social work of 25 or 30 camps, necessitating the travel of over 1,000 miles to complete the circuit, is a full complement of labor for any one man. To give one-fifth time afield and four-fifths at home was to allow pressing matters to go by default along progressive welfare lines. After a somewhat lengthy tenure of office the second superintendent retired with very meager results as the sum total of his efforts.

"At this period (about two years ago) there was but one small clubhouse in the Trinidad district of nine (C. F. & I. Co.) camps, one also in the Walsenburg district of six camps, that was not cursed by saloon associations, one in a rock quarry, but so far removed from where the men lived as to be little used by them.

"At Redstone, on the western slope, a large amount of money was expended in improvements of all kinds. It is the show place of the two largest coal companies in the State. But for a number of years neither coal nor coke has been shipped from this point; and as a sociological asset for employees, the whole plant is a negligible quantity.

"At the Pueblo Steel Works, which employs from 4,000 to 6,000 men, there is not a semblance of social-welfare advantages.

"Mr. Bigelow, a well-known eastern sociologist, came to Colorado last summer to take notes of the work of the department now being considered. After a visit to a few camps he concluded there was nothing to investigate and returned home.

"One of the board of directors living in Denver candidly admitted: 'We might as well confess it, we have not given them anything but the saloon for the past 25 years.'

"In contrast to the magnificence at casa vivenda, many of miners families are living in hovels, box-car shacks, and adobe sheds that are not fit for the habitation of human beings.

"But this does not interrupt the deduction of rent from the pay check.

"A camp physician thus describes a certain Italian quarter at Sopris, 'Houses up the canyon, so called, of which 8 are habitable and 46 simply awful; they are disreputably disgraceful. I have had to remove a mother in labor from one part of the shack to another to keep dry.'

"The C. F. & I. Co. now own and rent hovels, shacks, and dugouts that are unfit for the habitation of human beings and are little removed from the pigsty make of dwellings. And the people in them live on the very level of a pigsty.

Here is another quotation.

Chairman WALSH (interrupting). Is that quotation—all that last?

Dr. GADDIS. No, sir; that is my own words. Well, the quotation from the doctor at Sopris is a quotation, and then the last sentence is my own words. [Continues reading:]

"Frequently the population is so congested that whole families are crowded in the one room; eight persons in one small room was reported during the past year.

"In one of their best paying camps, Walsen, the hotel is such a dilapidated ramshackle trap that the boarders are driven from the place offering accommodations."

The doctor at Walsen describes the conditions of the buildings there last summer. These buildings can be seen—no; I will just add here:

"These buildings can be seen to-day at Segundo, Sopris, Berwind, Morley, Robinson, and Crested Butte. A few years ago Gulch, Marion, and Sunlight furnished a type of dwelling to which Weitzel refers in his letter to Bowers as 'shacks and dugouts almost without light and heat.'"

This is several years ago.

Chairman WALSH. Who is Mr. Weitzel?

Dr. GADDIS. Manager of the Colorado Fuel & Iron Co.'s fuel department. Mr. Weitzel thus refers, in his letter to Mr. Bowers, to these buildings as "shacks and dugouts almost without light and heat." The Walsen camp's physician reports June 18, 1914, 47 houses in Red Camp are not suitable for occupancy.

Chairman WALSH. Is that the place where the so-called Battle of Walsen occurred?

Dr. GADDIS. The Battle of Hogback took place.

Chairman WALSH. Where there was a continuous firing for 40 hours?

Dr. GADDIS. Yes, sir.

Chairman WALSH. Who were they firing at?

Dr. GADDIS. Strikers and militiamen shooting each other. It was a battle between men in the camps and the militia and the strikers.

Chairman WALSH. These men in the camps that were shooting were men that lived in those places?

Dr. GADDIS. Yes, sir; and they were men—50 of these men; I think nearly all of them that were discharged from the Walsen camp. These men had taken their lives in their hands to defend the company and were discharged, and the company, I am glad to say, required the superintendent to restore them.

The superintendent at Berwind, under date of June 4, 1914, reported, or the camp physician reported, 18 four-room houses unfit for occupancy. At Segundo there are 73 one-room shacks and 2 two-room shacks. [Reading:]

"At an altitude of 10,000 feet in Floresta, where the thermometer drops to an extremely low register, there is not a plastered house to be found.

"The man intrusted to answer the lengthy questionnaire sent out from Washington in my hearing was instructed to fill out the blank forms so as not to arouse suspicion that conditions would fall below the standards suggested by the interrogations."

Chairman WALSH. Now, where was the questionnaire sent from? I don't understand that.

Dr. GADDIS. I think it was sent from Secretary Wilson's office.

Chairman WALSH. The Department of Labor of the Government?

Dr. GADDIS. But it was spoken of in Colorado in my presence and hearing as a report from President Wilson.

Chairman WALSH. It was from the Bureau of Mines, as a matter of fact, was it not?

Dr. GADDIS. I know it was spoken of as a report from President Wilson and was a lengthy document.

Chairman WALSH. What do you say the instructions were about that?

Dr. GADDIS. The man was instructed to answer those questions—

Chairman WALSH (interrupting). What man? I want to get a little of the details about that. What was done about that?

Dr. GADDIS. This occurred at the camp of the physician's residence, Dr. Corwin, who was the manager of the sociological department, and I always stopped there when I went there, and I was there with Mr. Welborn on this occasion.

Chairman WALSH. He was the president of the company?

Dr. GADDIS. Yes, sir; and Dr. Corwin said, "I want you to fill out those blanks."

Chairman WALSH. He said that to you?

Dr. GADDIS. Yes, sir; and he said, "You know more about these things than anybody," and Mr. Welborn objected, and he said, "I want you to do that, Doctor, and so answer the questions that in camps where we have no social work," which comprised most of them, "they would not investigate." That was practically his instruction.

Chairman WALSH. That the Government would not investigate the conditions?

Dr. GADDIS. Yes.

Chairman WALSH. Who did fill it out?

Dr. GADDIS. Dr. Corwin filled it out, and I am pretty sure he sent it to Mr. Welborn to fix it up to suit himself.

Chairman WALSH. I assume, if this was left to you, you would have given the correct and straight information to the United States Government?

Dr. GADDIS. I certainly would, and I have tried to incorporate it in these items here.

Chairman WALSH. You are making your report, in a way, then, to the Government now?

Dr. GADDIS. Yes, sir; it could be so stated.

Chairman WALSH. And you would have made it if Mr. Welborn had not stopped it, at this instance?

Dr. GADDIS. I certainly would, and I would have given them something that would have made them sit up and take notice.



Chairman WALSH. When was that?

Dr. GADDIS. Last summer.

Chairman WALSH. The summer of 1914?

Dr. GADDIS. Yes, sir. [Continues reading:]

"The average underground workman must make the following monthly payments, before the credit side of his account is needed: Powder, caps, and fuses, \$5; electric lamp, \$1; oil lamp, \$1.50, in substitution of the electric light; medical dues, \$1; water rent per month in Frederick and Segundo"—

Chairman WALSH. What do you mean by water rent?

Dr. GADDIS. They tap the Trinidad water main at these camps, and charge them \$1 a month.

Commissioner LENNON. Is the electric light measured by meter, or so much a month?

Dr. GADDIS. It is on a flat rate, they can burn it all the time if they want to. [Continues reading:]

"Blacksmith, 50 cents; house of four rooms, \$8; men's club (voluntary), \$1; water at Lester, 35 cents a barrel."

The water at Lester in the hydrants is unfit for use, and turns the vegetables black, and the only use it is fit for is to scrub the floor.

Chairman WALSH. That is not the water they charge for?

Dr. GADDIS. No, sir; they turn good water in at 35 cents a barrel.

Now, I have made an estimate here, and I am sure it is within bounds, during the strike period at least, and I think it would hold good outside. The company's store charged about 35 per cent of the man's pay check; and I had a storeman tell me during the strike he collected 47 per cent of the mine's pay roll for groceries. That, of course, was very exceptional.

Chairman WALSH. Collected 47 per cent of what?

Dr. GADDIS. The total amount of his bill to the miners, what he collected at that time was 47 per cent, over 47 per cent, of the money that was paid to the miners at that time.

Chairman WALSH. That is, the whole pay roll, or individual miners?

Dr. GADDIS. The whole pay roll, for that monthly account.

Chairman WALSH. That is, that out of the total pay received by the collective miners at that place?

Dr. GADDIS. The store got over 47 per cent; it was during the strike. I had this from a store manager, and I saw him working at the books in the main office, and I think he was getting at the figures.

Chairman WALSH. You think that was an exceptionally large amount of deduction?

Dr. GADDIS. Yes, sir; but I believe in place of 20 per cent, which I have seen published many times, that it is nearer 30 or 35 per cent that goes to the company's stores.

We conducted the funeral services of old man Allison near Parmer's that had been discharged because he testified in court that he believed the company were digging coal on property that was not theirs. [Reading:]

"Public schools"—

Commissioner O'CONNELL. Before you go into that, in these adobe shacks and box-car houses you spoke of, have you the rent they charge for those places?

Dr. GADDIS. The average rent is \$2 a room. The box-car shack, I think was \$1, or perhaps 50 cents, I am not positive, but I think they get \$1 a room.

Commissioner O'CONNELL. How many rooms in a box car?

Dr. GADDIS. Two; a dollar a month.

Commissioner WEINSTOCK. Per room?

Dr. GADDIS. Yes, sir; for a two-room box-car shack. I know it is \$2 for the other better houses.

Commissioner WEINSTOCK. It is \$2 a month per room in the better houses?

Dr. GADDIS. Yes, sir.

Commissioner WEINSTOCK. How does that rent compare, if you know, with rentals in cities and towns where workers live?

Dr. GADDIS. I think it is very reasonable in most places, if the houses are good. Two dollars a room, I think, for instance, in some of the camps they have cement blocks, and the houses are kept up in good shape, and the company furnishes them with free paint and calimine, and the people keep up their houses outside and inside. They take some pride in keeping up the property.

Commissioner WEINSTOCK. Have you in your study been able to determine what is the average paid per room by workers in a modern-sized community?

Dr. GADDIS. No, sir; I have not.

Commissioner WEINSTOCK. It has been estimated, as far as I can obtain, from four to five dollars a month.

Dr. GADDIS. This would make the company then, 50 per cent cheaper. I think the rents are reasonable, when they keep the property up.

Chairman WALSH. Is there any civilized place in the world, that you know of, that under the law there are any such conditions allowed? For instance, a place where a woman was about to be confined, that she would have to be taken to another room to keep the water from running on her? In these instances, have the people any choice or selection of the houses where they shall live, or are they chosen by the company where they live?

Dr. GADDIS. They are allowed to choose their homes, if it is possible, and the camp is not too much congested. For instance, people that are living in one house and want to move, if the super. has another house, he will let them do it if he can.

Chairman WALSH. Take in Primero, the camp I was in, they have a fence run all around, and about three rows of barb wire on top, and all of them live inside of that inclosure.

Dr. GADDIS. That was a closed camp.

Chairman WALSH. And I was informed that no other houses were owned except by the fuel and iron company. Is that correct?

Dr. GADDIS. That is correct in all of the closed camps.

Chairman WALSH. Then those people have no selection of homes if they live in that little town?

Dr. GADDIS. It is optional with the super.; if he can, he generally accommodates them.

Chairman WALSH. But the company owns the one that they move from and the one they move into?

Dr. GADDIS. I mean optional in regard to location. You mean in regard to quality of houses.

Chairman WALSH. Yes, sir.

Dr. GADDIS. Certainly they have to take what is there.

Chairman WALSH. And they are all owned by the company?

Dr. GADDIS. Yes, sir.

Commissioner WEINSTOCK. What other method could be followed than the one that is followed under the conditions that exist, by virtue of these mines being away from populated centers?

Dr. GADDIS. I believe, under proper handling, it is not an unmixed evil, the closed camp. It has its advantages and disadvantages.

Commissioner WEINSTOCK. What are they?

Dr. GADDIS. The advantages?

Commissioner WEINSTOCK. And disadvantages?

Dr. GADDIS. The company have unlimited means to improve a camp if they wish to, and they furnish everything for the people, and if the people come there, as they do in some places; in Starkville, it is an open camp, and one of the dirtiest places in Colorado; they don't live oftentimes as cleanly as in closed camps, but on the other hand, in time of strike, as I gave an instance at Morley, those people are utterly at the mercy of the company. They are at all times. It is a question of whether they get the ill will of the super. or not.

Commissioner WEINSTOCK. Well, just a further word of information. You say in time of strike they are utterly at the mercy of the company?

Dr. GADDIS. Certainly they are.

Commissioner WEINSTOCK. If these men working and living in these closed camps are nonunionists or what are called strike breakers and sometimes called scabs, is it not a sort of advantage to them to be under the protection of the company, so that they will not be assaulted by the strikers?

Dr. GADDIS. It is an advantage to them, but it is a disadvantage to the man who is to be put out because he is a union man.

Commissioner WEINSTOCK. Yes; that is true; but if he is no longer an employee of the company he has no right, I take it, to occupy space that is demanded for one who is working for the company, unless the company has room enough to accommodate both workers and nonworkers.

Dr. GADDIS. He is willing to work, the man who is put out.

Commissioner WEINSTOCK. On his own terms?

Dr. GADDIS. Yes.



Commissioner WEINSTOCK. Are you prepared to say, if you were an employer, that you would employ men on their own terms regardless of what your terms were?

Dr. GADDIS. My dear sir, I am not prepared to go into a discussion of that question here, I do not think.

Commissioner WEINSTOCK. These questions are all important to the commission; it is exactly what we want to find out.

Dr. GADDIS. I have given my impression of the situation.

Chairman WALSH. You were called on and asked to give certain facts in connection with the coal camps.

Dr. GADDIS. Yes.

Commissioner O'CONNELL. What are the facilities for these closed camps having churches and schools and places of amusement?

Dr. GADDIS. They have just what the company furnishes them. No one can go in there without the consent of the company for any purpose; it is different in a closed camp, religious or otherwise.

Chairman WALSH. Can ministers go in and preach?

Dr. GADDIS. He has to secure the consent of at least the superintendent.

Chairman WALSH. Do they furnish a place to preach in?

Dr. GADDIS. Yes; in some instances; they have a church in Primero.

Chairman WALSH. In any instance have they undertaken to direct what they shall preach?

Dr. GADDIS. No.

Chairman WALSH. Once he gets in, if he gets the permission, he can preach any doctrine he believes?

Dr. GADDIS. Do you mean religious doctrine or anything he wants to say?

Chairman WALSH. Anything that is not in conflict with the law or the rights of other persons.

Dr. GADDIS. Are you speaking of a religious worker or anybody?

Chairman WALSH. I am speaking of the religious worker; supposing the religious worker once gets permission to go in, can he speak his mind freely, as long as he does not say anything in violation of law or morals?

Dr. GADDIS. Certainly he could, I think, without any question.

Commissioner O'CONNELL. Have they schools in the closed camps?

Dr. GADDIS. Yes; some of them are very good and some could not be worse. I will speak about them in the next paragraph, which is on public schools. [Reading:]

"For 10 years a camp was operated without a public school, the nearest one being  $4\frac{1}{2}$  miles, or a 9-mile walk each day. Families with children moved away in order to find school privileges. A girl 13 years old lived in this camp who had not been to school."

I am glad to say the company adopted our recommendation, and at their own expense they established a school there. They could not get help from the district, and they equipped the school and are paying the teacher out there, and not only have a day school, but a night school of foreigners learning English. It was said before one of the investigating committees [reading]:

"The school facilities in our camps are the very best." This testimony was given before the congressional committee. At Old Town, "where, prior to the strike, nearly every man in the village worked for the company, an old, leaky roof, adobe building was used for a school for several years. The use of this property gave rent to a former camp marshal, Bob Lee. It is situated at Old Town, between the coke-oven washer and a stable; it is overcrowded with children and at times is filled with smoke from the company plant."

Chairman WALSH. I noticed that the school at the closed camp of Primero was a nice looking building; and they had a social center development upstairs, with moving pictures, etc.

Dr. GADDIS. I am not mentioning that part of the work.

Chairman WALSH. I am going to ask something particular about that.

Dr. GADDIS. Some of the company's school buildings are as good as are to be found in the State.

Chairman WALSH. At that place the saloon keeper stated to us that he was the school director, and that he had charge of the school building; is that true?

Dr. GADDIS. I did not know that he had.

Chairman WALSH. Do you know the saloon keeper there?

Dr. GADDIS. I do. The superintendent has been the director of that local camp since I have been connected with it, and I do all my business with him.

Chairman WALSH. You mean the school director?

Dr. GADDIS. Yes.

Chairman WALSH. How many school directors are there?

Dr. GADDIS. They have one at Primero, and he takes charge of the school there, and they have one at Segundo and one at Frederick.

Chairman WALSH. So that the statement of the saloon keeper at Primero that he was the school director is incorrect?

Dr. GADDIS. Unless there has been a very recent election.

Chairman WALSH. That was at the time of the hearing of the commission at Denver.

Dr. GADDIS. I was told when I was there that the superintendent was director; I do not understand that another man has been elected since. [Reading:]

"Up to last fall a building in a closed camp at Floresta had been utilized for school purposes, located on the second floor of a hotel building owned by the company; to reach it a dark stairway must be ascended; the small windows in the room were on a level with the floor, and in dark days the children had to take their books to the windows to read.

"In another community the windows and doors of the schoolhouse had become so loose that on windy days, of which there were many, one was reminded of a ride on a motorcycle. A teacher in this building said that sessions of her school were interfered with because the room could not be warmed on cold days. For making this statement to me she was informed by the superintendent that her appointment as teacher for the coming year would not have been approved had he known of her course a little earlier.

"A State statute at least 20 years old requires fireproof fire escapes on all two-story school buildings. The company has at least six such buildings, and not one of them was protected according to law at the beginning of 1914. The threat of a penitentiary sentence, which the law imposes, caused activity in some quarters, but was ineffectual with other."

Chairman WALSH: When was that done, when was that effort made?

Dr. GADDIS: I made this effort, and sent them the law, and submitted it to them personally, and Mr. Welborn backed me up, but I could not get some of them to act.

Chairman WALSH. As far as you know, that is not directly chargeable to the company there?

Dr. GADDIS. They are employed, and are the company hirelings, and employed by the Colorado Fuel & Iron Co.

Chairman WALSH. And also act as school directors?

Dr. GADDIS. Yes, sir. [Reading:]

"A young married man was suddenly deprived of his position as principal and a local official's daughter given the place. A store manager school director wished to remove a lady teacher because she did not trade with him."

There are teachers to-day in the Colorado Fuel & Iron schools who can not speak correct English. Employees with children or relatives count the camp as a private crib. [Reading:]

"A principal was not reappointed last fall on the ground that he was a red neck."

He took his appeal to Mr. Bowers from Mr. Welborn.

Chairman WALSH. You had better explain what a red neck is.

Dr. GADDIS. A red neck is a phrase in Colorado for a striker or strike sympathizer.

I asked the assistant general manager of the fuel department for his reason, and he was supported in his position by the manager of the fuel department, the camp superintendent, the county superintendent of schools, and the store manager what they had against the teacher. Mr. Welborn and I kept in connection with him in the matter, and demanded proof or good cause as to why the man should be removed. When I asked the assistant manager of the fuel department for his proof, he replied to me [reading]:

"So-and-so is a G. D. red neck; when I dismiss a man working for me, that settles it. If the Denver office wishes to make the appointment of school-teachers I have nothing to say."

"Later the man, who had appealed to both Bowers and Welborn, was taken care of in another camp."

We helped to place him. I was instrumental in having him located at a near-by camp, at a little less salary, but he was taken care of.

Chairman WALSH. Had he been a striker or sympathizer?

Dr. GADDIS. He absolutely denied the charge that he had shown such an attitude.

Chairman WALSH. Have they power enough to remove a school director on the ground that he sympathizes with the men on strike?



Dr. GADDIS. There was a good deal of power there. The manager of the fuel department, the assistant manager, and the county superintendent, and it leaked out that this principal that was removed was a Republican, the county superintendent's opponent for his place, and I asked the principal if he believed it was a political move, and he said that it was. This county superintendent was invited at that time to come to the local school-board meeting and help to oust this man. [Reading:]

"For being instrumental in having an inefficient niece removed from a position that was paying her \$80 per month we were threatened with physical violence by the camp super.

"A young man that insisted his lady teachers conduct themselves properly and that dances in the schoolhouse close at 12 o'clock Saturday night instead of 4 a. m. Sunday, was called 'too religious,' and informed that had he conducted himself as other men in the camp, he would not have lost his position.

"A store manager's daughter"—at Morley—"below legal age, and without any teacher's certificate, was made a teacher against the protest of the county superintendent and the people of the camp."

We took up the case by correspondence, and they claimed that she was teaching there without salary, but nevertheless it was improper. [Continues reading:]

"Whenever there is danger that the company clique may lose control of the school-board directorship, the indefeasible right of the electors is denied them, and an obsequious county superintendent makes a favorable appointment."

This occurred in Morley and Pictou last year. The women of the Morley camp raised their voice against this young girl teaching in school. They went to the county superintendent, but he could not discharge her. Then they made up their mind that they would get a director that would help to get her out. In order to defeat their purpose the election was not called, and a company man was appointed by the county superintendent. I called Mr. Weitzel's attention to this, the manager of the fuel department, and he excused it on the ground that it was quite common practice. In the Pictou case I referred it to Mr. Welborn, and he did nothing. [Reading:]

"In many camps a large portion of all of the school tax is levied on company property. This, together with the school directors being hirelings, has led to surprising liberties with this public fund. A \$6,000 building was erected, the company carpenters doing all the work. With the building still unpaid for, no indebtedness was recorded in the county treasurer's office against the district. The mine clerk was receiving notices from company headquarters as to the amount of the debt still due the company. The president of one of the boards stated his district had paid the company enough interest on their debt to pay for the school building. The company advances money for the proposed improvements and seems to collect the principal on the terms to suit themselves.

"In order to put some additional equipment in one of the schools, inquiry was made as to the amount of money the district would have to use for the current year. The clerk of the board gave it as less than \$3,000, while county treasurer said warrants to the extent of \$9,000 would be honored from that district."

A camp doctor told me that whoever held warrants for their new school building were in no hurry for payment. [Reading:]

"The law of the State permits the schools of the camp grade to fix the salary of the clerk of the board. It would be an interesting item to know the exact amount of money this scribe receives."

Public school improvements are all provided for by the State law, but a private conference of the manager of the fuel department and superintendent, and the State law goes hang.

Chairman WALSH. Is there any objection on the part of the people that are not connected with the coal and iron company, that are not employees, to the school funds of the State being handled in this manner, and that part of the State's duty being handled in this way, as you have described it, by the company?

Dr. GADDIS. This is done principally in closed camps, and people are helpless, and it is not known. [Reading:]

#### "SANITATION.

"The insanitary plight of large portions of company property is due very largely to the fact that the hands of the camp physician are tied by the superintendent. For a man who has made hygienic science a special study, to

have his recommendations thwarted by a blockheaded super., makes the general boss of the coal regions supreme in his realm, but it is little less than a crime against the camp population. For a super. to tell a doctor who has made a request for the protection of the health of a neighborhood, 'Now, you are knocking me'—that is a quotation one of the doctors told me—"all but makes one feel they would like to have a virile pugilist handy to place some genuine knocks."

The physician asked the super. to have the camp cleaned up, and no time should have been lost in ridding the place of its malady-breeding spots. The super. replied, "I have no men for that work; let the people clean up their own yards; if you want the camp cleaned, do it yourself," and the doctor told me rather than to have those conditions exist, that he did with his own hands remove most of this scavenger alley-surface refuse.

Here is the way another doctor last summer writes concerning the situation of a doctor being tied or under the super. concerning sanitation: "I suggest therefore, that the superintendent be plainly instructed to acquiesce in any reasonable and courteous request issuing from the physician's office and pertaining to camp sanitation and welfare. I do not mean to imply dissatisfaction with the present superintendent, but I would provide against future contingencies. On some former occasion, when I have made such request, I have been impressed with the idea that the awful, omnipotent, czarlike authority of the local power that be, rendered them capable to run this camp without any of my suggestions. [Reading:]

"As a fruit of such folly, the medical report for all camps and plants for 1912 and 1913, gave 151 cases of typhoid, or nearly three a week for the entire year. For more than a year a cesspool, within a few feet of the company's store, was allowed to relieve itself by overflowing at the top and running down across the principal thoroughfare of the camp. Both the store manager and his wife had been down with typhoid. This Stygian situation and others almost as offensive were reported to the head of the medical work, and was passed over by a reply to the 'kicker'—'better be careful or you will step on some one's toes.'"

Chairman WALSH. Was that situation cleaned up where those people had the typhoid fever?

Dr. GADDIS. Subsequently it was, but by a new superintendent.

Chairman WALSH. Is this just an isolated instance, or do they allow the hygienic situation to go unattended in that way generally?

Dr. GADDIS. In some of the camps it could not be worse, and in some it is very good, indeed.

Chairman WALSH. Have these places been called—these bad places—called to their attention?

Dr. GADDIS. The doctor's report, which I am submitting to you, speaks in stronger language than I could.

Chairman WALSH. Among the intelligent workers, is it considered an insidious and criminal violence to let it go until they take typhoid and die?

Dr. GADDIS. It is among some considered criminal negligence, but among the ignorant class they don't pay any attention to it. [Reading:]

"The mountainous situation of many camps fairly well takes care of the otherwise miserable drainage. The surface debris was allowed to collect so heavily in one camp as to appear as if the place had never been properly cleaned. The closets and public washhouses are permitted to be in degrees of unhealthiness that, were it not for the pure mountain air and its unequalled aridity in great abundance, sickness and death would run riot."

We do not believe more repulsive looking human rat holes can be found in America than those of Berwind Canyon before the strike. [Continues reading:]

"The water in most of the camps is very good, but there are some notable exceptions. The intake of a water supply at Ideal, from a so-called mountain stream, was the favorite standing ground for cattle."

I told the superintendent of this camp about such a situation, and on one Sabbath morning, when we were holding religious services, he got a gang of men and threw a barb-wire fence around the place where the cattle had been standing.

I referred to that selling of water at Lester. [Reading:]

"Seepage water from a large mine at Walsen, with a distinctively dead-rat-essence flavor, was supplied to three camps, because it was cheaper than to tap the main pipe line, of one of the best water sources in the State, even though this water main ran directly through one of the camps.



"By the payment of \$1 per month, deducted from the employee's pay check, he is entitled to free medical service for himself and family at the camp; free hospital treatment for himself and one-half rate for any member of his family.

"The physicians are paid a salary, generally including house rent and coal free. They are to give gratuitous services for all cases except those of confinement, venereal diseases, and fight bruises. A monthly allowance for drugs of 3 cents per capita is also furnished.

"The apportionment for medicine, which they must freely dispense, is entirely inadequate to meet their needs. In one camp the doctor's monthly bill for drugs was \$25 or more, and he was receiving about \$12 for such expense from the company. That would put him nearly \$150 in the hole at the end of the year. This arrearage must either be paid from the doctor's pocket, or from the extra money he receives in cases above noted, or from neighborhood practice, or extortion, which is sometimes indulged.

"By a special order from the head of the medical department at Pueblo, the doctor's charges, whether reasonable or extortionate, may be deducted from the employee's pay check."

There is not a camp hotel or boarding house in a C. F. & I. camp where the bedrooms are heated; men suffer with mountain winters. [Reading:]

"Presumably for an object lesson for the whole camp, a bill for services was collected through the mine office by the company physician when the family had been so bold as to call in a doctor of their own choice, and the father was discharged for being unwilling to pay it. This case was reported to the Denver headquarters, and no redress was ever made.

#### "THE COLORADO SUPPLY CO.

"A chain of 22 retail and 2 wholesale stores extending from southern Colorado to northern Wyoming represents the mercantile side of Rockefeller's work in the Rockies.

"The development of the bulk of this business from two or three small stores to its present huge dimensions was largely through the genius of one man. A few weeks ago, after having served the company for more than 25 years, he was asked to resign; having previously been compelled to surrender all his stock holdings.

"The word had gone out from one who stood second only to Rockefeller himself that retrenchment was necessary; and the head of one who had whitened with many winters of arduous service was not to be spared.

"Prior to 1910 all but 19 per cent of the stock of the company stores was held by employees. Men who had reached their salary limit, but whom the company wished to show favor, were given the privilege of profit sharing in a business that paid 20 per cent per annum. Bowers called in every scrap of paper that represented stock certificates of the store company. No action that this man performed during this Colorado career was more impolitic. Only blinded selfishness could reason that store managers and clerks who were drawing good dividends on the work they were advancing would be more zealous if the source of such money was cut off by a ukase from the Boston Building.

"One manager had paid \$125 for \$100 shares and borrowed money at 18 per cent to make his purchase.

"Here is one of the store manager's plans of not missing the dividends. He draws a salary of \$150 per month, the average amount paid for that position. His work really pays him \$7 a day—i. e., \$60 extra in rake-offs. Chickens are worth 20 cents a pound in the camps; and when his chickens go into the butcher shop 20 cents per pound comes back to him. Cattle can be bought from ranchmen cheaper than dressed beef from Swift or Armour. The ranchman is paid one price and the store company is charged another, and so forth."

The deliverance of the 25 editors for the pro-operators pronouncement in speaking of the right to trade at any store, the editors make this pronouncement:

Commissioner WEINSTOCK. You said the deliverance of the 25 editors?

Dr. GADDIS. Yes, sir.

Commissioner WEINSTOCK. In what sense do you use the word "deliverance"?

Dr. GADDIS. It was a formal document adopted by those men in conference in Denver, and printed in all the papers.

Commissioner WEINSTOCK. A statement by 25 editors?

Dr. GADDIS. Yes, sir. The editors say: "This sixth demand also may not have been accorded the miners by the mine owners. It should also be guaranteed to the miners."

A former store manager at Tercio, now with the Victor-American Co., put up such thieving costs on groceries in that camp that the company had to let him go for such robbery. His successor told me what reduction he had made on sugar and flour when he took charge. The exact amount I can not recall; it was very heavy subtraction, amounting to something like 75 cents a pound, I think.

Commissioner WEINSTOCK. 75 cents a pound on sugar?

Dr. GADDIS. On flour, I think it was—no, on 100 pounds, I meant it. I have it 100 pounds here.

Commissioner WEINSTOCK. You mean he raised the cost on his inventory and put in a fictitious value?

Dr. GADDIS. I don't know what he did in his inventory, but he was charging that to the miners when this new man reduced the price.

Commissioner WEINSTOCK. In other words, he was overcharging his customers?

Dr. GADDIS. Yes, sir. [Reading:]

"That the business methods of the Colorado Supply Co. in the past few years have been little less arduous than the famous West Virginia mining-camp stores let the following facts attest: One physician who had served the company for 17 or 18 years declared if a strike is called the Colorado Supply Co. will be responsible. A man filling one of the highest positions in a local camp received a letter of inquiry as to why he did not trade at the company store. His reply contained his resignation (not accepted) but that he would trade where he thought best. A local doctor estimated he could only afford to buy 50 per cent of his groceries in camp. Lessees of company hotel buildings did not feel free to buy staple groceries except at 'the store.'"

Chairman WALSH. Was that one of the grievances that these men gave that went on strike?

Dr. GADDIS. It was one of their specific grievances, to trade where they pleased. The manager of the fuel department instructed the superintendent, and he so informed me about three months ago, to use his influence to have employees trade at the store. [Reading:]

"A few months ago a young manager asked the wife of a laborer if her husband wished to continue working in that place, and if so, their grocery business had better come his way.

"A mail-order catalogue from one of the Chicago houses was deposited in an arroyo instead of the hands of the addressee, who was a man well known in the community.

"Store managers are the postmasters in most places. For years it has been the custom of the Rockefeller stores to give a company draft when a postal order was solicited and charge the United States postal rates. The amount of money the Government has lost by this trickery would take expert accountants many days to foot up.

"Since the close of the great strike many 'gabfests' have been held; in which the managers have been told a 'square deal' must be given in the future.

"Prices in some stores have dropped 10 per cent, and 10 per cent more would still leave a handsome profit for Rockefeller in the mining-camp groceries.

#### "THE CAMP SALOON.

"Only a few years ago the saloon was run in connection with the company store. Bowers divorced such an unholy alliance. Now, some of the most prominent and best structures in the camps are used as saloons. In 1908 there were 82 saloons in 25 camps of the Rockefeller mines. Twelve of these saloons operated under lease from the company. In 1913 within a corcle of 4 miles diameter, including four camp villages, there were 28 saloons. One of these was on company property and was bringing \$1,500 rent to the credit side of coal production for that camp.

"The policy of the company has been to farm out their privilege for these joints to human ghouls, who operate them, by the camp marshal's consent, without any regard to the restrictive statutes of the State that would interfere with their business.

"At Delagua, not a C. F. & I. camp, an officer of the National Guard noticing a saloon open on the Sabbath said to the proprietor: 'Do you know of a State



law which prohibits keeping saloons open on Sunday?—same policy was pursued on C. F. & I. property—'Oh, that's all right,' replied the liquor vender. 'I am justice of peace in this town and we don't pay much attention to such things as State laws.'

"Sabbath opening is condoned by local officials; selling to minors and drunkards is an offense that is allowed to pass without protest.

"A saloon and lodging house known as the Metropolitan Hotel, in Trinidad, was used as an employment bureau. The manager was an employee of the company, and the stock of liquors on hand was regularly invoiced by their traveling auditor.

"The former general office building in Pueblo, afterwards known as the Southern Hotel, was rented as a second-rate lodging house, and a tenth rate barroom annexed.

"A lessee of a camp saloon"—at Morley—"on company property was being credited \$200 a month for advancing cash to erect the building. Terms of the lease required the company to pay him any balance due on the building, when the partnership ceased. Some years ago when times were very hard this saloon proprietor came forward with cash to assist the company to meet its pay roll."

It was President Kebler's avowed and practical policy to establish saloons for the different nationalities in the camps. [Reading:]

"The 'chamber of horrors' which a camp saloon presents after pay day is so pathetic and shameful that it must be seen in order to be fully comprehended.

"Men earning \$25 or \$40 a week go home penniless after a gambling and drinking bout in one of these places.

"Twice a month the coal production is seriously weakened, while the men squander their hard-earned wages, rob their families of needed clothing and food, and fill the coffers of outlaws, who carry on their traffic with a tacit approval of Rockefeller's officials.

"One of the largest saloons on company grounds is run by an Italian, and the sheriff of Huerfano County is his silent partner. In former years this official had financial interests in more than a dozen camp saloons."

Commissioner LENNON. Who was Jeff Farr?

Dr. GADDIS. Yes, sir. [Reading:]

"That camps can be run better without saloons than with them, experience in the strike zone and more than 10 years' trial in one of their large iron mines has fully proven.

"In the face of a vote of over 12,000 majority placing the State ban on the liquor business, several camp saloons were allowed to reopen for one more year of devastation."

Mr. Bowers told me that he would not allow a camp saloon to open after the vote was taken if Mr. Weitzel would concur. Mr. Weitzel would not concur. [Reading:]

"The old saw that 'every man is entitled to the fruit of his own labor' is severely dealt with by the camp saloon keeper.

"The argument that the company must conduct a high-grade saloon in order to prevent dives from starting up just outside the property line has no weight with those familiar with the conduct of the so-called company-protected saloons.

"One super. justified gambling on the same basis, and all other evils may be so exculpated.

"The one strongest inciting factor that precipitated the bloody struggle of last year was the camp saloon. Here men met and, irrationally inflamed, they planned deeds that no sober or well-balanced mind could entertain.

"The saloon managers of the Colorado colleries are well referred to by Kipling in the nineties:

"That bids him flout the law he makes;  
 "That bids him make the law he flouts;  
 "Till, dazed by many doubts, he wakes  
 "The drumming guns that have no doubts."

That is my statement, Mr. Walsh.

Chairman WALSH. Now, I have a letter here from Mr. L. M. Bowers. Mr. Bowers, as I understand it, until he retired from this company, after this strike, was the chairman of the executive board of the company, and generally understood to be the personal representative of Mr. Rockefeller in that community; is that correct?

Dr. GADDIS. Yes, sir; that is my understanding.

Chairman WALSH. And was he so looked upon and understood by the people generally in Colorado?

Dr. GADDIS. He certainly was.

Chairman WALSH. I want to read what he says in this letter of May 13, addressed to Mr. Heydt, private secretary of John D. Rockefeller, jr., and ask you a question after I read this portion to you [reading]:

"DEAR MR. HEYDT: Yours of the 10th, inclosing a letter of Mr. Frank S. Hoag, of the Pueblo Star-Journal, is at hand.

"While I know nothing about the paper referred to as a business proposition. I think it would be undesirable for the Colorado Fuel & Iron Co. to have Mr. Rockefeller interested in a newspaper at this time in a financial or any other way.

"The Colorado Fuel & Iron Co. for many years was accused of being the political dictator of southern Colorado, and, in fact, were a mighty power in the entire State. When I came here it was said that the C. F. & I. Co. voted every man and woman in their employ, without any regard to their being naturalized or not; and even their mules, it used to be remarked, were registered, if they were fortunate enough to possess names. Anyhow, a political department was maintained at a heavy expense. I had before me the contributions of the C. F. & I. Co. for the campaign of 1904, amounting to \$80,605, paid out personally by President Hearne. All the vouchers and checks I have examined personally, all of which were payable to Albert A. Miller, upon which he drew the currency, and, it is said, handed the money over to Mr. Hearne, who paid it out. So far as I can discover, not one particle of good was accomplished for the company, but Mr. Hearne was an aspirant for the position of United States Senator and devoted a vast amount of time and money with this end in view, I have no doubt.

"The company became notorious in many sections for their support of the liquor interests. They established saloons everywhere they possible could. This department was managed by a brother of the one-time president of the company, who died, about the time I came here, a victim of his own intemperate habits."

I leave out the name of the man, he being dead.

"A sheriff, elected by the votes of the C. F. & I. Co. employees, and who had been kept in office a great many years, established himself or became a partner in 16 liquor stores in our coal mines. To clean up the saloons, and with them the gambling hells and houses of prostitution, has been one of the things that Mr. Welborn and I have devoted an enormous amount of time to during the past five years. The decent newspapers everlastingly lampooned the C. F. & I. Co. at every election; and I am forced to say the company merited, from a moral standpoint, every shot that was fired into their camp.

"Since I came here not a nickel has been paid to any politician or political party. We have fought the saloons with all the power we possess. We have forbidden any politician from going into our camps, and every subordinate official connected with the company has been forbidden to influence our men to vote for any particular candidate. We have not lobbied in the legislature, but have gone directly to the governor and other able men and have demanded fair treatment."

Now, I am going to ask you, considering what you have stated here, whether or not it is a fact that the C. F. & I. are still controlling the political destinies of southern Colorado through the means stated by Mr. Northcutt in his speech at Lamar, and the means that you have testified to here?

Dr. GADDIS. I don't think they are controlling them to that extent now, that they were when that letter was written; but I think they are certainly doing it as far as they dare.

Chairman WALSH. Well, this letter was written May 13, 1913, immediately before the strike?

Dr. GADDIS. Yes.

Chairman WALSH. Were they controlling them in that way at that time?

Dr. GADDIS. They certainly were, that was the general topic of conversation.

Chairman WALSH. It says here, "The company became notorious in many sections for their support of the liquor interests. They established saloons everywhere they possibly could." Now, at that time—that is, in the olden times—they did not have this method, as, for instance, at Primero, where they rent a building which cost \$3,000 for \$1,500 a year, and where in that way they are still at that place directly connected with the profits of the saloon business?



Dr. GADDIS. They are through the rent only.

Chairman WALSH. Through the rent only?

Dr. GADDIS. Yes.

Chairman WALSH. Nevertheless, they get the rent?

Dr. GADDIS. Yes, sir.

Chairman WALSH. Just a way of covering up in a smooth way their being in the saloon business at that place?

Dr. GADDIS. Fifty dollars a month would be splendid rent for the building, or \$75.

Chairman WALSH. That is in a closed camp, and nobody patronizes that saloon at that particular place, except the men that work in the mines, would you say?

Dr. GADDIS. Well, I don't believe they would stop a rancher going in there.

Chairman WALSH. Well, do ranchers go in there—these closed camps?

Dr. GADDIS. Oh, they come in there now. The ban has been lifted. During the time of the strike, at that time they were not allowed to come in; but now, and I suppose can get a drink there, too.

Chairman WALSH. And in that way the C. F. & I. has established its partnership in the saloon business. And that is only one of the saloons that is run by the sheriff out there, Jeff Farr?

Dr. GADDIS. Yes.

Chairman WALSH. And he is still there in office?

Dr. GADDIS. Yes, sir.

Chairman WALSH. Still kept there by the influence of the C. F. & I.?

Dr. GADDIS. I believe he is.

Chairman WALSH. It is generally believed in your country that he is?

Dr. GADDIS. Yes, sir.

Chairman WALSH. Is he the man that before anything was said—that is, before any vote was taken for a strike, in August of 1913—armed 326 men, paid by the C. F. & I., about whom he testified that so far as he knew they might have been red-handed murderers fresh from the scenes of their crimes.

Dr. GADDIS. Same man.

Chairman WALSH. The same man?

Dr. GADDIS. Yes.

Chairman WALSH. And he is still there?

Dr. GADDIS. Yes; right on the job.

Chairman WALSH. And held in there by the same influence, and still in the saloon business?

Dr. GADDIS. Yes, sir.

Chairman WALSH. And controls saloons around in the mining camps in southern Colorado?

Dr. GADDIS. The saloon in the Rouse camp that I referred to as being allowed to open by the manager of the fuel department a few months ago. That saloon Mr. Farr is a partner in. About 1 mile away there is another saloon at Lester. There was no cause for opening that saloon whatever. It is one of the most notorious places in Colorado to degrade and debase men; and I think that Jeff Farr's influence opened that saloon.

Chairman WALSH. Is he interested in it?

Dr. GADDIS. He is; yes.

Chairman WALSH. Has Jeff Farr a home in Trinidad; is it?

Dr. GADDIS. He lives at Walsenburg, Huerfano County.

Chairman WALSH. Does he have a wholesale liquor store at some place out of which he works these mining camps?

Dr. GADDIS. Yes; I think he has.

Chairman WALSH. Where is his wholesale liquor store?

Dr. GADDIS. At Walsenburg. I am sure he is interested in a wholesale store there.

Chairman WALSH. Now, where did you say you saw these delegates to a political convention going into a room?

Dr. GADDIS. Into the Trinidad office of the division superintendent, Mr. Thomas. I sat there and watched them.

Chairman WALSH. And what sort of a convention was taking place?

Dr. GADDIS. It was the election of the delegates to what is called the primary convention, I believe.

Chairman WALSH. Now, you say in certain places the officers of the mining company are the judges and clerks of election?

Dr. GADDIS. They were at Tercio.

Chairman WALSH. And that was in direct violation of the State law?

Dr. GADDIS. It is.

Chairman WALSH. And the judges and clerks, as in other places, totaled up the returns and submitted them to the authorities?

Dr. GADDIS. Well, I would not say that they did not do it honestly.

Chairman WALSH. I understand that; but they have that authority?

Dr. GADDIS. Yes, sir.

Chairman WALSH. They are elected judges and clerks, and to that extent they controlled the making of the election returns?

Dr. GADDIS. Yes, sir.

Chairman WALSH. Now, I notice this letter of Mr. Bowers says that they go directly to the governor and other able men and demand fair treatment nowadays. Now, when was it that Mr. Northcutt, Judge Northcutt, made that speech in which he states that they received their instructions to State conventions from the superintendent of the mines?

Dr. GADDIS. That was in 1912.

Chairman WALSH. Just one year before that was written?

Dr. GADDIS. Yes, sir.

Chairman WALSH. And Northcutt is known there as and he is now an attorney for the Colorado Fuel & Iron Co.?

Dr. GADDIS. He is; yes, sir.

Chairman WALSH. And represents them in the courts?

Dr. GADDIS. Yes.

Chairman WALSH. He took part in a case against a man named Zancanelli, who has just been convicted and sentenced for life for complicity in what is known as the Oakdale trouble?

Dr. GADDIS. Oakdale murder; yes, sir.

Chairman WALSH. Oakdale murder?

Dr. GADDIS. Yes; Mr. Northcutt is one of the leading attorneys in that—in what they call the La Veta murder.

Chairman WALSH. So far as your information goes, what he stated about the absolute political control, was true?

Dr. GADDIS. I do believe it; yes, sir.

Chairman WALSH. In 1912?

Dr. GADDIS. Yes, sir.

Chairman WALSH. And that extended generally to the time this letter was written to Mr. Heydt by Mr. Bowers?

Dr. GADDIS. Yes, sir.

Chairman WALSH. And that was the conduct in 1910 and 1911?

Dr. GADDIS. Yes, sir; in referring to Mr. Rockefeller purchasing a newspaper, I think there were some actions in regard to that—in regard to purchasing the Denver News—and Mr. Welborn said he did not think it would be wise he believed to do it. It was heavily bonded. Right after the strike, or a few months ago, there was a change in the editor of the Pueblo Chieftain, which is known as a strong Colorado Fuel & Iron Co. paper. There was a notorious exposure of the padding of the pay rolls of the Pueblo Steel Works, one of the most gigantic steals I ever heard of in America, that had gone on for 10 years, I think, and millions of dollars were lost. The whole matter was covered up as quickly as possible, and a few nominal sentences imposed on some men of that office, and they were discharged—quite a number of men in inferior positions were discharged. The new editor of this paper, in an editorial, said that he did not think the decapitation should have stopped until it reached the higher parties and for this deliverance he was threatened with expulsion from the Elite—a Monday literary club out there. Dr. Corwin was a member of that, and he was threatened to be turned out of it. A few weeks after he had made this statement I was accidentally at the casa vivienda. The editor was publicly bawled out by the assistant manager of the steel works as a misrepresentative of true journalism.

Chairman WALSH. Now, you state—

Dr. GADDIS (interrupting). Just let me add there, from the smell of brimstone around the steel works for a few weeks after this exposure, I think the editor had hit the right trail.

Commissioner WEINSTOCK. May I ask who were the sufferers in that steal?

Dr. GADDIS. The company—the Colorado Fuel & Iron Co.

Commissioner WEINSTOCK. The officials had robbed the company?

Dr. GADDIS. They were men that—yes, officials and men in their employ. I don't suppose you would call them officials. I suppose you would call them employees, unless you go higher to the heads of the departments there.



Chairman WALSH. Have you paid any attention to the trials that are going on in Colorado at the present time against the men who took part in this strike as executive officers of the union?

Dr. GADDIS. I have read all I could get hold of, Mr. Walsh.

Chairman WALSH. Have you any personal knowledge with reference to the make-up of the juries that are trying those men—any contribution that you could make of that sort?

Dr. GADDIS. Personally I knew a juror that voted to convict Mr.—what is his name there?

Chairman WALSH. John R. Lawson.

Dr. GADDIS. John R. Lawson, at Trinidad—Mr. W. W. Wilson; I know him.

Chairman WALSH. Mr. Lawson was the man who was vice president of the United Mine Workers of America, or a member of the national executive board of the United Mine Workers of America, and he has just been convicted of murder in the first degree, at Trinidad?

Dr. GADDIS. Yes, sir.

Chairman WALSH. Now, what were you going to say about your personal information about the jurors?

Dr. GADDIS. Just a few weeks before leaving Colorado I met Mr. Wilson on the train—

Chairman WALSH (interrupting). Who was Mr. Wilson?

Dr. GADDIS. Mr. Wilson was one of the jurors—W. W. Wilson—and so reported in the paper, and he is a traveling salesman in that territory of the National Biscuit Co. And he told me that he had all the camps of the C. F. & I. stores. The general manager of the Victor-American Fuel Co. was sitting in the seat, and he says, "I can't get into his camps; he won't let me. I hope that he will, but I have the business of the C. F. & I. Co." And he gave me to understand that he did not have to go there and use any genuflections of a salesman; just let the store manager know who he was and the sales were made. Now, that means thousands of dollars of business to pass through Mr. Wilson's hands. And personally I would not want such a man to vote on my verdict, if my life was at stake and the Colorado Fuel & Iron Co. prosecuting.

Chairman WALSH. A gentleman has just handed me a note, and I did not hear whether or not you stated that the privilege Mr. Wilson had was an exclusive privilege.

Dr. GADDIS. It is; yes. It is exclusive for that line of goods, and it was given to him by the officers of the C. F. & I. Co.—I mean, of the Colorado Supply Co., which is—

Chairman WALSH (interrupting). You say that the papers stated that one of the jurors in the trial that convicted Mr. Lawson was Mr. Wilson?

Dr. GADDIS. It did; it did not state—don't misunderstand me. I inferred that W. W. Wilson, who is a traveling salesman, was this man. It did not state in the paper that he was the man, but he is known as "Bill Wilson," and he is the only man in Trinidad—

Chairman WALSH (interrupting). That can be ascertained by checking that up.

Dr. GADDIS. Yes; certainly it can be very easily ascertained.

Chairman WALSH. Now, when was this conference you had with President Welborn and the doctor with reference to making a report to the Bureau of Mines and Mining of the Government?

Dr. GADDIS. That was last summer.

Chairman WALSH. That was the summer of 1914?

Dr. GADDIS. Yes, sir.

Chairman WALSH. Now, you say you would have made that report to the Government had the matter not been taken out of your hands by Mr. Welborn?

Dr. GADDIS. I certainly would.

Chairman WALSH. And you would have told the truth as you have told it here upon the witness stand?

Dr. GADDIS. As I believe what is the truth; yes, sir.

Chairman WALSH. Now, you were subsequently discharged from the employ of the Colorado Fuel & Iron Co.?

Dr. GADDIS. I was. That occurred in this way, of you will allow me to explain it.

Chairman WALSH. Well, briefly, because we are not much—I am not much interested in it, except that—

Dr. GADDIS (interrupting). Well, it won't take but a minute, and it will be a satisfaction to me, as you have made public reference to it.

I dealt with Mr. Bowers largely when I went to Denver, as to the sociological work, and I tried to see him whenever I could. Mr. Bowers wrote me a letter when he was going to Binghamton, stating that all future communications from my department should be addressed to Mr. Welborn. Mr. Welborn gave me to understand that he would not bother with them; that I must take up everything with Mr. Weitzel.

Chairman WALSH. Would not bother with the sociological work?

Dr. GADDIS. With the sociological work pertaining to the fuel department. And I was so told by Mr. Weitzel. As I said, I do not consider Mr. Weitzel at all qualified to speak the first and last word on matters of sociological import, and we did not get along. We did the first year, but he certainly turned on me, and nothing that I did could please him. The fact of it was my report made statements that I knew would offend him. I did not care. They were outrageous conditions and ought to have been reported, and for that reason he was determined to get me out of the way.

Chairman WALSH. What were the statements that were outrageous that you put in there?

Dr. GADDIS. Why, in regard to sanitation.

Chairman WALSH. Did you tell him these people were getting typhus and were dying?

Dr. GADDIS. I did. Yes; I put it into my reports. I wrote a letter to the New York office, telling them what Mr. Weitzel was trying to do to dislodge me.

Chairman WALSH. Whom did you write to?

Dr. GADDIS. I addressed Mr. Rockefeller, and the reply to it was by Mr. Mackenzie King. I think he is their attorney. He said he could not interfere in the matter. I stated in that letter that Mr. Weitzel wanted to get me out of the way, and he put an assistant mine clerk in my position, who, according to his own statement, has not the qualifications for the position. The only qualifications for it he had was that he would assume an obsequious attitude to Mr. Weitzel. That is what he wanted.

Chairman WALSH. Now, you submitted some of these letters you have read here to the secretary of this commission, did you not—Mr. Lewis K. Brown?

Dr. GADDIS. Yes, sir.

Chairman WALSH. And Mr. Brown showed you the correspondence he had with Mr. Welborn, did he, with reference to that?

Dr. GADDIS. He referred to it; didn't show it to me.

Chairman WALSH. If you have no objection, I would like to read that letter into the record at this point?

Dr. GADDIS. I have none whatever.

Chairman WALSH (reading):

"Mr. LEWIS K. BROWN,

*"Secretary United States Commission on*

*"Industrial Relations, Chicago, Ill.*

"DEAR SIR: I have yours of the 7th instant regarding the resignation of the Rev. E. S. Gaddis from the service of this company. Mr. Gaddis entered the employ of the company as a minister, conducting church services at our coal camps in southern Colorado. Some time later, after our old superintendent of the sociological department had resigned, the work of that department was in part placed under the direction of Mr. Gaddis.

"He was an earnest, faithful worker and undoubtedly is a Christian gentleman. He is, however, strongly sectarian and, for that reason, we felt handicapped in securing the best results at coal camps made up of many nationalities and sects. \* \* \* I trust this will give you the information desired.

"Yours, very truly,

"J. F. WELBORN."

I have omitted certain parts that did not directly refer to this.

Dr. GADDIS. Mr. Chairman, there are just two items here I would like to have come out that I omitted, if you will give me the privilege.

Chairman WALSH. Very good, Mr. Gaddis.

Dr. GADDIS. Here is a quotation from Mr. Bowers's article in Frank Leslie's Weekly of February 5, 1914; it is his opening sentence [reading]:

"Corporations, however scrupulously they may comply with the laws of the State and Nation, as well as the higher laws that govern the actions of individuals and business men employing labor, do not escape the assaults of muckraking magazines," and so forth.

Then Mr. Bowers says [reading]:



"They will lend their voices and pens to the work of slandering corporations with reckless disregard for truth."

In view of the following facts—here they are [referring to the paper before the witness]—Mr. Bowers's statement is as reckless a disregard for truth as those whom he denounces:

"First. The notorious disregard for the laws affecting saloon control.

"Second. The high-handed and lawless method used in governing camp-school affairs.

"Third. The constant breach of the State law which protects the men from working on the Sabbath day.

"Fourth. Undue influence of the camp officials in civil elections.

"Fifth. For more than 15 years the State law granted miners a check-weighman, and only one was found in the C. F. & I. mines at the time of the strike.

"Sixth. The bimonthly pay day was not granted by the C. F. & I. until the law was 12 years old.

"Seventh. Compulsory trade at the company's store is a violation of the individual rights granted by the State decree.

"Eighth. The check off of the pay roll of the men's dues for the company's school rates is a violation of the constitution and laws of the State.

"Ninth. The eight-hour underground law for workmen was not given effect until 1913."

Now, there is just one other matter I wish to refer to, which to me is one of the most serious things I have to present.

Bulletin No. 8, which came out under the general head of "Facts Concerning the Struggle in Colorado," issued July 25, 1914. It was from the Denver Women's Law and Order League, and they state in this pamphlet—these are their exact words:

"No machine gun was at any time directed against the colony."

That is the Ludlow colony, during this famous battle, or massacre, as it is called. When we first read this false statement it was in the office of the president of the Colorado Supply Co., Mr. Schenck, at Denver. We told him then that nothing could be gained by such a misstatement. He questioned our authority for denying it, and here is our authority:

The Colorado Fuel & Iron Co.'s camp physician at Berwind told us that the gun was used upon the colony on that day. A man who lives in Berwind informs us that he acted as one of the supports of the gun when it was in action. We passed through Ludlow on the Colorado & Southern Railroad on the night of this famous day. We saw the tent colony in flames. Several persons—quite a number of persons boarded the train and one man who came in spoke of the raking fire of the machine gun that had been played on the camp. The operator of the gun was pointed out as a hero in Berwind Canyon.

This is a flagrant prevarication of the truth which can not be challenged—the use of the machine gun on Ludlow colony so far as we know has never been contradicted by the operators. The women who signed this we doubt if they knew anything first-handed of the actual conditions in southern Colorado.

I just want to make a reference, Mr. Chairman, and then I am through, to the condition of enforced Sabbath labor.

Colorado is the only mining State in the Union that habitually compels colliers to work on the Sabbath day. All sorts of needless and unnecessary labor is encouraged and enforced in the Colorado Fuel & Iron Co.'s camps. For months before the great strike hundreds and thousands of men did not know what a day of rest was. We have read orders signed by the superintendents in several of the mines which threatened loss of good places or actual discharge for the failure of those who would fail to report for work on the Sabbath day. After reading such orders we communicated this fact both to Mr. Welborn and to Mr. Weitzel; and, so far as we know, nothing was ever done to correct the grievance.

One young man at Primero told us that he had worked so many consecutive Sabbaths that he needed a day of rest and he refused to run a motor car, and he was summarily discharged. We took the case to Mr. Weitzel, and that was the last we ever heard of it.

Some of the foreigners driven to work on the Sabbath failed to report on Monday. The master mechanic in one of the camps told us it was not at all necessary for him to work on the Sabbath to keep abreast of his job; but the superintendent forced him to do it because the day shift was all at it and no exceptions would be made.

Special trains were run on Sunday to baseball on the company roads, all of which tended to break down respect for the holy Sabbath day and to neglect of religious opportunities; and not infrequently the men returned home in a furor of drunken revelry, caused by the liquor obtained by them from the half respectable company saloon.

Commissioner LENNON. Mr. Gaddis, we have had testimony to the effect that in so far as the rent of the saloons is concerned, that in many instances it is based on the number of employees of the company, not necessarily at this particular camp—that is, that in some cases they paid, or the rent was assessed at 50 cents per employee, and in some places 25 cents. Do you know whether that is true or not?

Dr. GADDIS. I don't believe it is true, Mr. Lennon, in the Colorado Fuel & Iron.

Commissioner LENNON. It was the Victor-American Co., perhaps.

Chairman WALSH. The Victor-American Co.

Dr. GADDIS. I have tried to get all the information I could concerning the solution of the situation, and I do not believe the Colorado Fuel & Iron Co. have ever stooped so low as that.

Commissioner LENNON. Did you hear of any of the other companies assessing the rent in that way, at so much per person?

Dr. GADDIS. I have heard of a per capita charge, regarding the number of men or people in the camp for the saloon privileges, but I am sure not in the Colorado Fuel & Iron Co.'s camps.

Commissioner LENNON. Mr. Osgood, I think, was the man who testified to that fact, together with some others.

Have the company's stores in the camps that are not immediately adjacent to considerable towns or cities, have they a monopoly in the camps?

Dr. GADDIS. In the closed camps they certainly have, unless people go to town. It is a monopoly in this way: There are a great many people feel, and the more ignorant people and foreigners feel, that they should deal there; and I do not doubt but that they get all the trade of the majority of the people in the camp, or at least a heavy percentage of it.

Commissioner LENNON. If you desired to start a store in one of those camps, could you go there and start a store?

Dr. GADDIS. Not in a closed camp.

Commissioner LENNON. What would prevent it?

Dr. GADDIS. Why the Colorado Fuel & Iron Co., that is their property.

Commissioner LENNON. And they own all the land?

Dr. GADDIS. Yes, sir.

Commissioner LENNON. Now, what effect upon the home life of people do you believe is exerted by the fact that they can not own their own homes in these closed camps; that they must live in apartments that are provided by the company; and that so far as establishing a home for themselves, it is out of the question? What effect does that likely have upon the home life of the people?

Dr. GADDIS. In the first place it makes the camp population, a very large percentage of it, entirely transient. That is, I have—that is, they will be there, say, a year; or if you see a person who has been in the camp three or four years, why they are pioneers. It keeps the people on the move, and not having their own homes they are dissatisfied. They are there simply enduring the situation as they are.

Commissioner LENNON. Well, what apparent effect does it have on the dwellings themselves? Do they take care of them as they would if they were their own, or do they let them take care of themselves?

Dr. GADDIS. Some of the people, if they own their property, would take better care of it; and a good many of the people in the camps there are very shiftless, and would not care whether it was their own or not.

When the strike was called, the Santa Fe Railway, to use a common phrase, simply did "a land-office business" selling tickets to New York to people who were going back to Europe. A great many of these foreigners of southern Europe don't give a snap of the finger concerning the contention between the operators and the mine workers. Just so they are able to make a stake and get a job with the mine operators, and are sure to be protected, they will stay there, not simply because they are loyal, because of their loyalty to the company, but because they wanted to make some money. And the statement was made in Mr. Welborn's report, I think the twenty-second annual report, published by the company, referring to the enormous increase of business that they had



had, and I have a memorandum of it here, at the company stores; and he refers to it as an evidence of the favorable light in which the people evidently regarded the company's stores. The statement, as it stands, does not prove what it stated there. The company stores did—I have that here, if you would like to have it. It is worth reading.

The company stores during the strike did an enormous business taking care of the guards. The furnishing in some instances of food for the militiamen and their supplies, and the strike breakers and their families coming in, made a volume of business that was very large indeed. It was not in regard to the loyalty to the company stores at all. I wanted to refer to it because I do not think that is a fair statement to go out to the public. [Reading:]

"It is a significant fact which bears evidence of the favor in which our mine stores are held by the workmen, retail sales in the center of the strike trouble were \$47,067.52 greater than they were during the last preceding year."

Now, here is my answer to that. The company hotels and boarding houses were packed with guards who were being fed and furnished much new material for lodgings. At one period during the strike all huckster wagons were shut out of the camp—excluded. The arrival of hundreds of families as strike breakers made "the store business" boom in furnishing their houses. For months during the strike old employees who would have come to Trinidad or Walsenburg to trade occasionally were afraid to leave the camps; this extra trade went to the store. The feeding of the State militia was in itself a very large source of income to the operators.

The people who were given work and were being protected by the operators during the strike felt a new impulse to buy only at "the store"—

Commissioner LENNON. Wasn't it a fact that during the strike the people in the camps were a little bit afraid to come out and get their stuff at other places?

Dr. GADDIS. Absolutely afraid to come out.

Commissioner WEINSTOCK. Afraid of what?

Dr. GADDIS. They were afraid of violence.

Commissioner WEINSTOCK. On whose part?

Dr. GADDIS. On the part of those who were carrying on the strike.

Commissioner WEINSTOCK. The strikers?

Dr. GADDIS. Certainly.

Commissioner LENNON. What opportunities are there in these camps for what is generally termed legitimate amusement, picture shows or entertainments of any kind, something that would take the people's attention rather than go to the saloon?

Dr. GADDIS. The motion-picture show was started during the strikes to give the people some diversion who were in these camps and who could not get out or did not want to get out. We extended that into almost every camp of the C. F. & I. system. The company was quite liberal. They bought—we got two operators, one in Walsenburg and one in Trinidad, and in the more recent camps they purchased an entire outfit and presented it to the camp to be used there.

Commissioner LENNON. Were you in that district during the strike?

Dr. GADDIS. I was; yes, sir; all the time.

Commissioner LENNON. Did you know, either by actual personal acquaintance or by sight, a number of the officials of the mine workers who were in charge of the miners who were on strike?

Dr. GADDIS. I knew them by sight. When the strike first broke out I had my room in the Toltec Hotel, at Trinidad, and that became the strikers' headquarters. I was there and had a very nice room there and did not care about moving, but I was told several times—I was told by one of the local officials that he did not think any decent man would stay there, and I was told by Mr. Weitzel that—he just as good as told me that he did not want me to stay there. I became familiar with these people, although they did not know me, I don't think.

Commissioner LENNON. What evidence was there of a character that men usually observe as to the conduct of these men during the strike? Were they a drunken lot of bums, or did they keep sober? What kind of fellows were they?

Dr. GADDIS. You mean the strike leaders?

Commissioner LENNON. Yes.

Dr. GADDIS. Why, I saw nothing of a disorderly manner whatever, so far as I could observe. I knew Mr. Hays by sight and knew Mr. Lawson and knew

Mr. McLennan. I don't know as they knew me. I never went up and told them who I was.

Commissioner LENNON. Their open conduct, so far as you know, was not seriously objectionable?

Dr. GADDIS. I never heard a charge made that it was in any respect at all. Your suggestion is the first I have ever heard of it.

Commissioner LENNON. I think that is all.

Chairman WALSH. Mr. Weinstock has some questions he wants to ask you.

Commissioner WEINSTOCK. If, as you say, the strikers were orderly and well behaved, what need was there for the strike breakers or scabs, or whatever they have been called, to fear to go beyond the limits of the camps?

Dr. GADDIS. Well, I think you misunderstood me, Mr. Weinstock. I understood the question to be the conduct of the leaders of the strike. Now, you ask me a question—if the strikers conducted themselves in a manner that was—could not be regarded as a violent attitude to the strike breakers. I say that they did so conduct themselves, and I know they did.

Commissioner WEINSTOCK. I think you have gotten the questions confused. I did not ask that question. I believe Mr. Lennon asked that question. Didn't you, Mr. Lennon?

Commissioner LENNON. Yes.

Dr. GADDIS. Well, then, I did not understand your question.

Commissioner WEINSTOCK. The point I want to get at is this: If the strikers and their representatives were law-abiding and peaceful and orderly, what need then was there for the men who took their places to fear going beyond the limits of the camps?

Dr. GADDIS. I do not take the position, my dear sir, that the strikers were or conducted themselves as Sunday-school children during the strike. I had one of the most intelligent foreigners tell me that I ever met, "What are we to do? What can we do?" They seemed to feel that, from the governor down, and Gen. Chase and his men, in constantly using the office of the company and telephone communication and the company stores carrying all kinds of bills for the militiamen and paying them and advancing money—the general impression was, as far as the militia was concerned, that the State of Colorado was dead set against them.

Commissioner WEINSTOCK. Were you there during the strike, Dr. Gaddis?

Dr. GADDIS. Yes; I was there during the whole of it.

Commissioner WEINSTOCK. From start to finish?

Dr. GADDIS. Yes.

Commissioner WEINSTOCK. So that you can speak from personal knowledge and not from hearsay?

Dr. GADDIS. Yes; that is exactly so.

Commissioner WEINSTOCK. What justification then was there, so far as you were able to ascertain, for the strikers to resort to violence to gain their ends?

Dr. GADDIS. I believe, my dear sir, that they considered that that was the only possible means of procedure for them; I do not justify it.

Commissioner WEINSTOCK. You do not justify it?

Dr. GADDIS. I do not.

Commissioner WEINSTOCK. Do you condemn it?

Dr. GADDIS. I do not know whether I would do the same way if I was a striker or not. I do not believe in shooting or the destruction of property to gain ends. I think it ought to be accomplished in lines different from that.

Commissioner WEINSTOCK. Well, if you had been a strike leader, what advice would you have given to the strikers?

Dr. GADDIS. Well, my education and all of my views are on a different channel from that, and it is a very important question, and I would not care to answer it offhand.

Commissioner WEINSTOCK. You would not care to answer it offhand?

Dr. GADDIS. No, sir.

Commissioner WEINSTOCK. Then you would not have advised them to refrain from resorting to violence?

Dr. GADDIS. I do not know whether I would under the same circumstances or not.

Commissioner WEINSTOCK. Do you think that there is any time when, with the ballot at the command of the wage earners, and, in addition to that, in a State like Colorado, with the initiative, referendum, and recall at the command of the voters, and in view of the further fact that the majority of the voters of



the State of Colorado are wage earners and doubtless would be in sympathy with their fellow wage earners if their fellow wage earners had grievances, do you think that under those circumstances there is any time when wage earners are justified in taking the law into their own hands and resisting the constituted authorities?

Dr. GADDIS. I do not believe that there is ever a time that that would be justified unless it becomes apparent that the constituted authorities are unwilling to give an unbiased attitude toward all sides.

Chairman WALSH. At this point we will stand adjourned until 2 o'clock.

(Whereupon, at 12.30 o'clock the commission adjourned until 2 o'clock.)

#### AFTERNOON SESSION—2 P. M.

Chairman WALSH. Mr. Gaddis, will you please take the chair?

Mr. Gaddis, before luncheon in your testimony you made some reference to Mr. Mackenzie King, and I don't exactly recall what it was, but Mr. King understood you to say that he had some communication of some sort with you personally, or that he had written to you or that you had written to him, and I do not recall just what it was. Will you kindly restate it so that I may ask you some questions about it if necessary?

Dr. GADDIS. I wrote to Mr. Rockefeller, stating that Mr. Weitzel informed me that my services were no longer to be desired after the first week in February. I had worked hard, and everything that I had done had succeeded in the work, and I was not ready to give it up; I wanted to stay on further and help in the work, and I stated the fact to Mr. Rockefeller, thinking he might intercede, but the letter was answered by Mr. Mackenzie King.

Chairman WALSH. Signed by Mr. Mackenzie King?

Dr. GADDIS. Yes, sir; I have the letter here in Washington.

Chairman WALSH. I wish you would turn it over so that I can inspect it, or allow Mr. King to inspect it before he goes on the stand.

Dr. GADDIS. I would like to be permitted to correct myself. I have used the name of Mackenzie King, I have been accustomed to associate his name with that of Starr J. Murphy, but my letter was from Starr J. Murphy, and not from Mackenzie King.

Chairman WALSH. So you were mistaken?

Dr. GADDIS. Yes, sir; and I beg Mr. King's pardon.

Chairman WALSH. Has this statement that you made here, has it ever been made public before?

Dr. GADDIS. No, sir.

Chairman WALSH. Have you testified in any of the other hearings?

Dr. GADDIS. No, sir.

Chairman WALSH. This is the first time that you give what you claim to be the facts in connection with the Colorado situation?

Dr. GADDIS. Yes, sir; it is the first time.

Commissioner WEINSTOCK. Let me repeat the last question that I put to you and your last answer so we can take it up where we dropped it. My question is this: Do you think that there is any time when, with the ballot at the command of the wage earners, and, in addition to that, in a State like Colorado, with the initiative, referendum, and recall at the command of the voters, and in view of the further fact that the majority of the voters of the State of Colorado are wage earners and doubtless would be in sympathy with their fellow wage earners if their fellow wage earners had grievances, do you think that under those circumstances there is any time when wage earners are justified in taking the law into their own hands and resisting the constituted authorities, to which you replied as follows: I do not believe that there is ever a time that that would be justified unless it becomes apparent that the constituted authorities are unwilling to give an unbiased attitude toward all sides.

Now, let me ask you, Mr. Gaddis, how far then you are in accord with the opinion expressed on the witness stand a few days ago by Dr. Goodnow, the president of Johns Hopkins University. Let me read to you his statement and invite your judgment thereon [reads]:

"Taking a concrete case, Doctor, taking the case for example of the Colorado situation and analyzing it, let us see what your counsel in the matter would lead to. The governor ordered out the militia in connection with some coal strike that took place in Colorado. There was a conflict of testimony there as to the cause and effect. The National Guardsmen maintain that they fought in self-defense, that they were first attacked by the strikers. The strikers deny

that, and claim that the initiative was taken on the part of the National Guardsmen, which led to riot. Let us assume for the purpose of our illustration, and for the purpose of our analysis, that the workers are correct in their statement, and that the militia did take the initiative, and did abuse their power, and did harass and fire upon innocent people. Your advice and counsel under such circumstances to the worker is, take the result, yield for the time being, do not attempt to take the short cut and get immediate redress, but recognize the existing authorities and abide by their demand? Let your remedy come by use of the ballot; see to it that the commander in chief that is responsible for this is either recalled, under your recall law, or is condemned by public sentiment, and not reelected? Do I follow you?

"Dr. Goodnow. Yes, sir; it seems to me that any other advice is going to lead to anarchy. It seems to me that the fundamental proposition you have to start with is that we must have peace, and we shall not recognize any such thing legally as right to restrain the constituted authorities. The right of revolution or violence or anything of that sort. We must, as civilized men, adopt that idea or else there is no peace for our Government.

"Question. In other words, the short cut to the remedy must be condemned?

"Dr. Goodnow. Yes, sir; as I look at it.

"Question. And that it is better for a group of men to suffer from real or fancied injuries temporarily than to have chaos prevail?

"Dr. Goodnow. Certainly. One of the many troubles seems to be the workers in the country never will gain anything by any such thing as organized violence. The people as a whole condemn it, and they can do very much better by presenting their case as forcibly as it can be to the courts, where that is possible, or to the public as a whole."

Now, let me ask you, how far are you in accord with the sentiment expressed by Dr. Goodnow?

Dr. GADDIS. That is from the president of Johns Hopkins University?

Commissioner WEINSTOCK. Yes, sir.

Dr. GADDIS. I would say that if the reasoning of Dr. Goodnow could have prevailed we would not have had an American Nation if we had followed out his logic.

Commissioner WEINSTOCK. Will you point out why?

Dr. GADDIS. We resisted with armed force the oppression of England, and I would like to say in that connection—I would like to ask you if a man enters your home with a fast repeating revolver and begins to shoot up your family, are you justified in shooting him?

Commissioner WEINSTOCK. I am not here to be questioned, Mr. Gaddis.

Chairman WALSH. We must not have any audible expression of feeling, please, ladies and gentlemen.

Dr. GADDIS. Excuse me.

Chairman WALSH. It is all right for you to answer any way that you see fit and to ask any questions—

Commissioner WEINSTOCK. In my own way I will touch on the point that you have raised.

Chairman WALSH. I will say this, for fear there might be some misunderstanding: That it has not been permissible to address questions to the commissioners.

Commissioner WEINSTOCK. Do you regard the condition that prevails, say, in Colorado as being parallel to the conditions that prevailed in the American colonies at the time of the Revolution?

Dr. GADDIS. To a certain extent I do.

Commissioner WEINSTOCK. As a reader of American history and one who I am sure is thoroughly well informed in American history, I take it you realize the fact that the colonists rebelled against Great Britain because they were taxed without having a voice in the Government?

Dr. GADDIS. That is certainly correct.

Commissioner WEINSTOCK. That while there may have been other causes which led to revolution, the prime cause taxation without representation?

Dr. GADDIS. That is the principal one.

Commissioner WEINSTOCK. Now, is it your opinion, then, that you and I as American citizens are taxed without the right of representation?

Dr. GADDIS. Now, Mr. Weinstock, you referred to the State of Colorado having the initiative, referendum, and recall, and Dr. Goodnow says that is the way to get it there. There is a judge in Trinidad, Jurge McKendrie—he was delivering opinions for some time that the people, the strikers and their sym-



pathizers, believed were biased and in violation of their constitutional rights, and in favor of the operators. There were two men started a recall petition—Mr. John Murray and John Merionis, I think his name is—those men were summarily arrested and thrown into jail for contempt of court and are out now on bond waiting to appear before his august majesty, Judge McKendrie.

Now, those people have tried in that instance just what you say and what Dr. Goodnow says we should never go beyond. I do not agree with the gentleman at all. I believe there are times when we are justified in going beyond it, and I believe the strike in Colorado was one of those times, and the public sentiment aroused in this community by the attitude of the strikers in open rebellion, which I do not condone under ordinary circumstances, has done a great good, and I—

Commissioner WEINSTOCK. Now, will the reporter please read my question, and I would like to have a direct answer.

(Question read by reporter.)

Dr. GADDIS. Now, in the concrete case that I have represented the men tried the civil courts and could not have their case properly represented. They tried the civil statutes of the State of Colorado—

Commissioner WEINSTOCK. May I again ask you to answer my question. I will have it read again.

(Question reread by reporter.)

Dr. GADDIS. Well, if you ask that question aside from our connection with the strike trouble, or with the disputes and manners that are being contested here and disputed, I would say certainly not.

Commissioner WEINSTOCK. That is, that while we are taxed on the one hand, that we have the right of representation on the other?

Dr. GADDIS. Yes, sir.

Commissioner WEINSTOCK. Now, isn't it a fact that in the State of Colorado you have woman suffrage—universal suffrage?

Dr. GADDIS. Yes, sir.

Commissioner WEINSTOCK. So that even women, if they are taxed on the one hand, they have representation on the other?

Dr. GADDIS. Yes, sir.

Commissioner WEINSTOCK. That being the case, where comes the parallel with conditions which prevailed at the time of the American Revolution?

Dr. GADDIS. Why, the parallel is very easy, to my mind. There was a situation there that obtained from the governor down. It was a conviction that had settled itself, not only in the minds of the strikers but of many citizens, that justice under the then present condition there was impossible to the strikers' cause.

Commissioner WEINSTOCK. Are you a believer in democracy, Dr. Gaddis?

Dr. GADDIS. I am, sir.

Commissioner WEINSTOCK. Do you believe that a remedy for most of the evils, political ills, and civic ills of labor is not less democracy, but more democracy?

Dr. GADDIS. I believe we want more democracy; yes, sir; not demagogism.

Commissioner WEINSTOCK. Do you know any spot on the face of the globe, then, Mr. Gaddis, where the laws have made a higher and broader democracy possible than right in the State of Colorado, not only with its vote, not only its universal suffrage, but also with its initiative, with its referendum, and with its recall? Can you add anything to those conditions that would make for a still broader democracy?

Dr. GADDIS. The laws in themselves per se are almost ideal; but, as you know, as a man of affairs, what the law is and what the execution of that law is are entirely different matters.

Commissioner WEINSTOCK. Well, if you and I and the rest of us as citizens of the Commonwealth have at our command the initiative, referendum, and recall; if it is made possible for a majority of us to initiate legislation, even though the legislature itself may be opposed to it; if we have the right through the medium of the referendum to nullify any laws passed by the legislature that we do not approve of; if it is within our power to recall unfit officials or those who have been derelict in their duties and would fail to do it, on whom rests the blame?

Dr. GADDIS. The instance I have cited would not make the men very zealous to attempt another effort of that kind, in the Trinidad district, at least. And there I say there certainly must be something wrong with the law or its interpretation by that judge.

Commissioner WEINSTOCK. Well, then, are we to infer from your statement that, briefly, this is your attitude: If the law goes your way, observe it; if it does not go your way, rebel against it?

Dr. GADDIS. I believe there are some things and some conditions in which I would be justified—

Commissioner WEINSTOCK (interrupting). Now, will you name the conditions?

Dr. GADDIS. Well, if I could not get my constitutional rights.

Commissioner WEINSTOCK. You would be justified in rebelling against the constituted authorities?

Dr. GADDIS. I believe I would.

Commissioner WEINSTOCK. Well, if you would be justified in doing that, I presume you would allow me the same privilege?

Dr. GADDIS. Yes; and a million men.

Commissioner WEINSTOCK. And all the rest of us the same privilege?

Dr. GADDIS. Yes; a million men.

Commissioner WEINSTOCK. Then, what would be the situation if all of us, laboring as we might under a real or fancied grievance, saw fit to take the law in our own hands? What would become of the Republic?

Dr. GADDIS. It would break down; and I think it ought to break down.

Commissioner WEINSTOCK. You think it ought to break down?

Dr. GADDIS. Yes.

Commissioner WEINSTOCK. Then if you and I have a difference and go into court, and it is decided your way, and not my way, you think I ought to do all I could to break down the Republic on that account?

Dr. GADDIS. Not in a single instance, that way, as you have stated it.

Commissioner WEINSTOCK. Well, I could only gather that inference, because you stated very frankly and very candidly that if we think the law is not being administered as we think it ought to be administered we ought to rebel.

Dr. GADDIS. I lived in Cincinnati, or near Cincinnati, at the time of the great riots there. The courts of Cincinnati were turning out murderers scot free almost by the dozen. There was one colored man there committed a brutal murder in a livery stable, and there was scarcely a shadow of a doubt that he was a murderer, and the citizens of Cincinnati went to the music hall in a mass, and that city was in the hands of a mob for days. I believe that riot did good.

Commissioner WEINSTOCK. Then you are a believer in riots, Dr. Gaddis?

Dr. GADDIS. I am in such instances; yes, sir.

Commissioner WEINSTOCK. That is, you justify rioting?

Dr. GADDIS. I justify clarifying the atmosphere that has become so polluted and fetid that a man is asphyxiated in it when he holds his head up.

Commissioner WEINSTOCK. Well, who is to be the judge of when a riot is justifiable?

Dr. GADDIS. Well, the consensus of opinion settles the riot.

Commissioner WEINSTOCK. Well, have you ever known of a riot in any city or in any State since the Civil War where the majority of the people of a community or the Commonwealth were in favor of a riot?

Dr. GADDIS. Well, there was enough of them to do some good, whether it was a majority or not.

Commissioner WEINSTOCK. Would you call that a consensus of opinion?

Dr. GADDIS. I call it a consensus of opinion; certainly I do.

Commissioner WEINSTOCK. You take a handful of people who get together and engage in that sort of thing, and you call that a consensus of opinion?

Dr. GADDIS. Well, I don't know of a handful of people ever starting a riot any place.

Commissioner WEINSTOCK. Do you know of a handful of people starting a riot anywhere?

Dr. GADDIS. I don't recall them; I am not an encyclopedia on riots.

Commissioner WEINSTOCK. Well, can you tell us any instance, Mr. Gaddis, within your knowledge, where a majority of the people started a riot?

Dr. GADDIS. Well, I would have to study up on that, Mr. Weinstock.

Commissioner WEINSTOCK. You don't know of any—

Dr. GADDIS (interrupting). I could not recall; no, sir.

Commissioner WEINSTOCK. Summing up, then, despite the fact that you are a clergyman, a Christian clergyman, who stands for peace and for law and for order, you would justify resistance to the constituted authorities if, in the judgment of a group or an individual they felt they were not getting a square deal at the hands of the constituted authorities?



Dr. GADDIS. In very rare instances I would. Crime is crime; whether it is committed with the ermine of a judge, or a jury, or anybody else, it is crime. Commissioner WEINSTOCK. Would you punish such crime?

Dr. GADDIS. I would certainly try to get them out of power.

Commissioner WEINSTOCK. Well, if a body of strikers, in their mistaken notion of how to get at their rights, ill advised and ill guided and misdirected, should take the short cut and resist the authorities and resort to violence, would you punish them for having done so?

Dr. GADDIS. If a body of strikers should do that?

Commissioner WEINSTOCK. Yes.

Dr. GADDIS. Well, that would depend on all the circumstances leading up to that expression.

Commissioner WEINSTOCK. Well, you are thoroughly familiar with the circumstances in Colorado, of course. You told us you were there from start to finish. Would you punish the strikers who resorted to violence in the State of Colorado?

Dr. GADDIS. I would not.

Commissioner WEINSTOCK. You would not?

Dr. GADDIS. No, sir.

Commissioner WEINSTOCK. You would let them go scot free?

Dr. GADDIS. Well, I am inclined to think I would.

Commissioner WEINSTOCK. And just give them a blanket policy of freedom despite whatever they may have done?

Dr. GADDIS. The attitude or the situation there in Colorado to my—I have never seen a situation to my mind more despicable and damnable, as I believe it, to the best interests of the American Commonwealth. It is an oligarchy that is controlling everything.

Commissioner WEINSTOCK. And you believe the way to remedy that is by violation of law, by bloodshed, and by force, and not through the ballot?

Dr. GADDIS. I don't think that, because things are on the statute books that makes them right.

Commissioner WEINSTOCK. And regardless of whether or not you have statute books you would resort to force?

Dr. GADDIS. I say, in a few rare instances I believe it is justified. Self-defense itself is the principle that God has placed in a man's heart.

Commissioner WEINSTOCK. Well, now, let's assume that the Colorado strikers, in their own hearts, believed in the justice of their cause—

Dr. GADDIS (interrupting). I—yes.

Commissioner WEINSTOCK. And believed they were doing that which is right and proper for them to do. Suppose the group of I. W. W.'s did exactly the same thing, believing they were right in doing it; supposing the group of Socialists believed in their own heart that they were right in doing it and resorted to the same methods; assume that the group of anarchists believed in their own hearts that they were justified in doing that, and should also resort to those methods; then what?

Dr. GADDIS. Well, that is the pathetic situation of the whole commercial and industrial situation, I take it; to-day.

Commissioner WEINSTOCK. Would you condone it and approve it?

Dr. GADDIS. I don't say that I would.

Commissioner WEINSTOCK. Then you would differentiate between a group of Socialists, or a group of I. W. W.'s, or a group of anarchists, and a group of unionists?

Dr. GADDIS. Not at all, sir. I would let every case stand upon its own merits.

Commissioner WEINSTOCK. Suppose these I. W. W.'s came to you and convinced you, or these anarchists, or Socialists, convinced you that they really and sincerely believed they were doing the proper thing, and that it was their only recourse. Would you condone their acts and permit them to go unpunished?

Dr. GADDIS. It would depend entirely on what the constituted authorities and the executive officers of the State—the attitude that they would assume to them in every particular instance. I said this morning that I did not believe in the destruction of property or life, and I do not—to gain an end.

Commissioner WEINSTOCK. Very well. Here are a crowd—were you here the other day, Mr. Gaddis, when Mr. Haywood testified?

Dr. GADDIS. No, sir.

Commissioner WEINSTOCK. He is the representative of the I. W. W.'s.

Dr. GADDIS. No, sir; I was not.

Commissioner WEINSTOCK. He gave it as their doctrine—this is for your information—that he believed that all the machinery for production belonged to the workers. He believed that it was a great wrong that a manufacturer should be permitted to run his factory; that the right of it was for the workers of that factory to take possession of that factory and operate it for their own pocket and their own good and to turn the employer out and, in the language of Mr. Haywood, permit him an opportunity to earn an honest living by working by their side as a manual worker. Now, suppose a group of I. W. W.'s, sincere in that belief, should take possession of a factory, turn the employer out of his property without compensation, would you, because they were sincere in their motives, permit them to go unpunished?

Dr. GADDIS. Why, I would not approve of such a course.

Commissioner WEINSTOCK. You would not?

Dr. GADDIS. No, sir.

Commissioner WEINSTOCK. And yet these men would be sincere in their purpose, just as sincere, doubtless, as the Colorado strikers were in their purpose. Where would you draw the line—

Dr. GADDIS. Why, I draw the line—I believe the employer has rights. I believe in the holding of personal property. I don't believe in confiscating personal property without remuneration.

Commissioner WEINSTOCK. You do believe the employer has rights?

Dr. GADDIS. Have I said anything that would indicate anything to the contrary?

Commissioner WEINSTOCK. Very well. Now, if the employer has rights has he a right to employ anybody he pleases, or to refrain from employing anybody he pleases, for any reason, or for no reason?

Dr. GADDIS. He has.

Commissioner WEINSTOCK. He has?

Dr. GADDIS. Certainly he has.

Commissioner WEINSTOCK. Then if I had an employer who saw fit for any reason to retire me from his service, do you think I would have any right to prevent you from taking that job, if you wanted it, and would accept it from my employer, and he wanted to accept you?

Dr. GADDIS. Now, that touches upon a question of labor. I believe labor has the right to organize.

Commissioner WEINSTOCK. No; that is not the issue at all.

Dr. GADDIS. I think it is getting very close to it.

Commissioner WEINSTOCK. No; I am simply touching a vital principle that can be easily answered by yes or no. Here is the question: I have lost my position or my job, and the job has been tendered to you, or you have made an application for it, and an understanding has been arrived at between you and my former employer; have I any right to prevent your taking that job if you want to take it, and the employer wants to employ you?

Dr. GADDIS. Well, I am not a specialist on industrial disputes, and I will have to ask you to excuse me from answering technical questions of that kind.

Commissioner WEINSTOCK. This is not a technical question, but a plain everyday common-sense question. Mr. Gaddis. I am surprised that you would call it a technical question. It is a very simple question. You can either say, in your opinion, that I have a right to interfere with your accepting your job, or I have no right to interfere with your accepting that job.

Dr. GADDIS. I think there would be circumstances, Mr. Weinstock, where that man that is turned out would have the right to interfere to a certain extent.

Commissioner WEINSTOCK. Well, you were telling us a little while ago, Mr. Gaddis, that you were in the service of the Colorado Fuel & Iron Co.?

Dr. GADDIS. Yes, sir.

Commissioner WEINSTOCK. And that you retired from the service. Now, do you feel that you would have a right to prevent another man from taking that job?

Dr. GADDIS. Well, if you mean the man they did put in, I would like to prevent it.

Commissioner WEINSTOCK. Any man? Do you feel that you would have a reasonable right to prevent that man from taking that job, no matter who he was?

Dr. GADDIS. I believe, and I wrote Mr. Rockefeller, that there was a great injustice being done in depriving me of a position that every month I was in it increased in advancement.



Commissioner WEINSTOCK. You have not answered my question, Mr. Gaddis. You have side-stepped it, if you pardon the criticism. My question was plain and simple, and one that there ought to be no difficulty in answering. Do you believe you had a right to prevent some other man from taking the job from which you retired?

Dr. GADDIS. If I was a man that had a family depending upon me and had nothing laid up whatever, and I knew that the loss of my job would mean their starvation and put them onto charity—why, you are asking me questions that I am unprepared for at all; haven't given it a moment's thought. But I think that under such circumstances that I might be justified in using at least legitimate means of preventing that man from taking my position.

Commissioner WEINSTOCK. Will you please tell us what you regard as "legitimate means"?

Dr. GADDIS. Well, I would try moral suasion first.

Commissioner WEINSTOCK. Suppose that failed?

Dr. GADDIS. Well, when I was a boy I was into trouble a good deal in school. I don't know whether I might try anything else along any more vigorous line or not, just to settle the dispute between us.

Commissioner WEINSTOCK. Well, are we to infer from that that if you endeavored to use moral suasion and that failed, that you would resort to force?

Dr. GADDIS. I think the fellow might be—there are circumstances where a good drubbing would be just the thing.

Commissioner WEINSTOCK. What about the treatment of the fellow toward you whose job you took?

Dr. GADDIS. I would consider it, if I would take it under the circumstances I mentioned, that he would do his best.

Commissioner WEINSTOCK. In other words, are we to understand then that if an employer, for any reason or for no reason, according to what suited his ideas, was to dismiss a man, and invite you to take that position, and you accepted it, that the other one ought to drive you out?

Dr. GADDIS. I have answered that question with modification, Mr. Weinstock, and I said I did think so, under certain modifications.

Commissioner WEINSTOCK. That he would be justified in driving you out and preventing you from taking that position in spite of the fact that you yourself had a wife and babies to take care of?

Dr. GADDIS. You are reading into my answer what I did not say.

Commissioner WEINSTOCK. Well, assuming that you had a wife and babies to take care of?

Dr. GADDIS. Then I would have to answer it in the light of that assumption.

Commissioner WEINSTOCK. Will you please answer it with that modification?

Dr. GADDIS. I do not concede the right to the employer to discharge a man simply at the caprice of his own will; I do not concede that right to him.

Commissioner WEINSTOCK. Do you concede the right to the worker to quit his job at the caprice of the worker?

Dr. GADDIS. I do.

Commissioner WEINSTOCK. Then the law does not work both ways?

Dr. GADDIS. The situations are not parallel at all.

Commissioner WEINSTOCK. That is, the worker has a right to quit his job whenever he pleases, for any reason, or for no reason, but the employer has not the equal right on his side to retire the worker?

Dr. GADDIS. That is my position.

Commissioner WEINSTOCK. I think it is well for us to know your position.

Dr. GADDIS. I don't think the situations between the employer and the employee are parallel at all.

Commissioner WEINSTOCK. It is interesting to find a case where the rule does not work both ways. You mentioned a few moments ago that you felt a great injustice had been done you in retiring you from the service of the coal and fuel company.

Dr. GADDIS. I did at the time, but I am glad of it now.

Commissioner WEINSTOCK. At that time you thought it was a great injustice?

Dr. GADDIS. I did.

Commissioner WEINSTOCK. You wrote to Mr. Rockefeller, did you not?

Dr. GADDIS. I did.

Commissioner WEINSTOCK. That you valued the position and wanted to retain it?

Dr. GADDIS. For the good I could do in it.

Commissioner WEINSTOCK. How long had you been employed by the company?

Dr. GADDIS. Nearly two years.

Commissioner WEINSTOCK. And these conditions that you have been telling us about this morning, I presume, existed all during that time?

Dr. GADDIS. They did.

Commissioner WEINSTOCK. From my memory of the reading of your statement it seemed to me that the company had complied with quite a number of the recommendations and suggestions you had made to the company in the way of betterments?

Dr. GADDIS. They did; yes, sir.

Commissioner WEINSTOCK. Will you please point out wherein the company failed to carry out your suggestions and recommendations?

Dr. GADDIS. They failed to carry them out just a week or two before I ceased service with them. I received a letter from one of their largest camps that the saloon keeper was selling liquor to minors—boys under age. I wrote to Mr. Weitzel and said that a word from him would stop that, and he replied to me and said, "If you will furnish me proof of the statement you made I will put the matter in the hands of the district attorney, and he will take it up." The letter absolutely made me laugh.

Commissioner WEINSTOCK. Did you furnish the proof?

Chairman WALSH. The witness had not finished his answer.

Commissioner WEINSTOCK. Had you finished?

Dr. GADDIS. All Mr. Weitzel needed to do, as manager of the fuel department, was to take up his telephone, and he would have gotten more evidence than he would have known what to do with. If I had furnished the proof and given the names, which I would have to have done, it would probably have led to those men being discharged.

Commissioner WEINSTOCK. May I ask when you retired from the service of the company?

Dr. GADDIS. The first week in February.

Commissioner WEINSTOCK. Were you in the employ of the company last December when this commission held its hearing in Denver?

Dr. GADDIS. I was.

Commissioner WEINSTOCK. Then may I ask why, in view of the fact you had all of this information at your command, you did not present it to this commission at its hearing in Colorado?

Dr. GADDIS. Mr. McCrosky called on me, and I presumed he was representing Mr. Walsh and this commission, and he talked with me for a couple of hours and then he left me, and I inferred he did not consider what I had to offer—he did not send in my name, and I was not going to send my name to Mr. Walsh.

Commissioner WEINSTOCK. Will you tell just what information you gave to our representative while you were talking with him for those two hours?

Dr. GADDIS. He asked me all sorts of leading questions in regard to my work. One of the first questions he asked me was, "I want to find out whether you are running this office or it is being run for you," and I said that I was amenable to the officer over me, and I said I did not know how a business could be conducted without being amenable to some one that way. He asked me if I would permit a man to go into a camp if I did not know what he was going to say, or if I knew what he was going to say would stir up trouble, and I said I would not if I could prevent it. Then he asked me about the library books, and tried to make out I was controlling what they should be, and the literature the men should read. I said they could buy anything they wanted to; and he asked me all sorts of leading questions.

Commissioner WEINSTOCK. Did you tell him the things that you have told this commission here?

Dr. GADDIS. No, sir.

Commissioner WEINSTOCK. You describe the conditions as being very horrible?

Dr. GADDIS. I believe they are to-day.

Commissioner WEINSTOCK. Then tell us why, as a Christian minister, you remained in the employ of the company?

Dr. GADDIS. Because I could do good, and I was doing good.

Commissioner WEINSTOCK. Yet you say that the case was apparently hopeless and you could not accomplish results and the superintendent turned you down?

Dr. GADDIS. I was accomplishing results every month.



Commissioner WEINSTOCK. Don't you think you could have accomplished greater results if in protest you had resigned and given your reasons as to why you resigned?

Dr. GADDIS. No; and I think the natural course of events has made my course much better.

Commissioner WEINSTOCK. Did you write direct to Mr. Rockefeller and apprise him of the conditions that existed in the camps?

Dr. GADDIS. Not in detail. I referred to the fact of my opinion of Mr. Weitzel in this letter, and that should have been enough, it seems to me, for the company to take up the matter, but they did not care to.

Commissioner WEINSTOCK. Did you recite the things you have pictured to this commission at this time?

Dr. GADDIS. Not in detail.

Commissioner WEINSTOCK. Why did you wait until you were dismissed from the company to make all these charges?

Dr. GADDIS. Well, you do not really mean that as a serious question?

Commissioner WEINSTOCK. I certainly do; I think it is a legitimate question to ask. If evils existed and wrongs were committed and you remained silent until you were dismissed from the company, there must be some explanation of it.

Dr. GADDIS. How long do you think I would retain my position with the company if I had made such an exposition of affairs as I have made here?

Commissioner WEINSTOCK. Are we to understand that your prime purpose was to retain your position with the company regardless of results to the workers?

Dr. GADDIS. I was hopeful, sir, of bettering things, and I did. I found camps in which there was no sociological work whatever, not the merest semblance of it, and they backed me up with the money and their support until this matter was placed in the hands of Mr. Weitzel, and then it came to a quick end.

Commissioner WEINSTOCK. You made the statement in your testimony this morning that the shopkeepers in these various camps had a monopoly on the business; is that correct?

Dr. GADDIS. In the closed camps they have an absolute monopoly. I will modify that; they allow huckster wagons to come in to sell green groceries.

Commissioner WEINSTOCK. Do they permit outside shopkeepers to make deliveries of purchases within the camp?

Dr. GADDIS. They do.

Commissioner WEINSTOCK. That is, if I, as a miner living within the closed camp, should go to a neighboring community and make my purchases there, the shopkeepers could come into the camp and make deliveries of those goods and there is no objection to that?

Dr. GADDIS. I think it is done right along.

Commissioner WEINSTOCK. Then, how have they a monopoly?

Dr. GADDIS. I think that should be modified, except during the strike trouble; I had a party call me up on the telephone during the strike and ask me to intercede for him to come into the Segundo camp, and I told him that was not my province at all, that was a matter of the superintendent's.

Commissioner WEINSTOCK. Are we to understand, then, that you modify your statement made this morning that they had established a monopoly of shopkeeping?

Dr. GADDIS. If I made that statement without saying that hucksters were allowed there, I modify it.

Commissioner WEINSTOCK. You say, however, that during the strike the miners did confine their purchases to the company stores?

Dr. GADDIS. In some of the camps I think that is true, without doubt.

Commissioner WEINSTOCK. And I suppose you repeat your statement of this morning that they were afraid to go beyond the camp for fear of personal violence from the strikers?

Dr. GADDIS. The company did not want the hucksters' wagons to come into the camp, into the Segundo camp after the strike, and the men that went in there were strike sympathizers and they stirred up trouble.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. Mrs. Harriman wishes to ask some questions.

Commissioner HARRIMAN. What effect, if any, do you think the fact that Mr. Lawson was sentenced to life imprisonment will have on the labor question throughout the country, as far as you have knowledge of the situation?

Dr. GADDIS. I do not believe, Mrs. Harriman, that that sentence will stand at all; I think it will be reversed. It may have a temporary depression on labor trouble, but I can not see—I can not believe that there is an American jury that will make such finding when the case is properly presented. Trinidad is the headquarters—it is one of the hottest corporation towns in Colorado. The Episcopalian minister told me on the street during the strike trouble that any man in Trinidad could be arrested on the word of the chief clerk of the C. F. & I.

Commissioner HARRIMAN. That is all.

Chairman WALSH. Commissioner Lennon wishes to ask a question.

Commissioner LENNON. Mr. Gaddis, have the officials, or the militia, or gunmen, any greater right to violate the law than a citizen?

Dr. GADDIS. Most assuredly not, sir.

Commissioner LENNON. Prior to this strike taking place, had the laws of Colorado as regards the eight-hour working day, the checkweighmen and inspection and other laws pertaining to mining—had they been violated and set aside, or had they been complied with?

Mr. GADDIS. The eight-hour law, after it was a law for several years, was respected to a considerable extent. Other laws for the protection of the miners were scarcely considered. I do not think there is a power-house man, a steam or electric power-house man in Colorado, working for the Colorado Fuel & Iron Co. but works 12 hours a day, seven days in the week. One man told me, at Primero, it was simply killing him, not the hard work, but the long work, with no vacation whatever, unless he took it out of his own pocket.

Commissioner LENNON. Regarding the matter of the law, and giving the people of Colorado the power of recall, did the authorities set that law aside and deny it in the case to which you referred, in Trinidad?

Dr. GADDIS. I presume, Mr. Lennon, they had legal reasons for doing it, but they certainly set it aside. I do not know the judge's reason for doing it, but I presume he was satisfied he was right; that will be settled, I presume, when the trial come up.

Commissioner LENNON. Are not the citizens, as such, entitled to their construction of their rights as some petty judge, as to the fundamental law of the State?

Dr. GADDIS. I think, with the material the judges are made of, that they are; yes. Common sense can decide that law and equity without being legal specialists.

Commissioner LENNON. Commissioner Weinstock asked you several questions regarding the inherent right of men, under certain circumstances, to commit violence. I can not quote the Declaration of Independence exactly, but it goes on to say that governments are instituted among men for certain purposes, and when they fail to serve those purposes, the people have the right to take into their own hands such remedies as may be essential to amend or change the governments. Do you recognize that as a fundamental right?

Dr. GADDIS. Certainly I do; I stated that. I think, very clearly.

Commissioner LENNON. I think that is all.

Chairman WALSH. Commissioner O'Connell wishes to ask a few questions.

Commissioner O'CONNELL. Doctor, I want to discuss with you a little, the political situation in Colorado, as it was discussed by Commissioner Weinstock. He asked you if the people of Colorado did not have the referendum and recall and the ballot.

Dr. GADDIS. Yes.

Commissioner O'CONNELL. By which remedies they could enact into law anything that they desired, and if an officer was elected they might, under the law, recall him; and he read from the record of a witness who appeared before us, the statement that it would be better, or at least the witness agreed that even though the workmen had serious complaints, it would be better for them to take their chances in the matter of legislation—take advantage of the referendum and the recall and not take the short cut, the short cut meaning the strike, and the so-called riot and even bloodshed, if you will. That seemed to be the opinion of a number of learned men who appeared before us. Now, you have been in Colorado for a number of years and you have made some study of this problem, and of the laws that have been enacted in Colorado, and the effect these laws have had, whether they have been effective or put into effect at all. The people of Colorado, by and through their prerogative, the legislature, enacted a law saying that eight hours should be the working day under ground.

Dr. GADDIS. Yes, sir; that is the law.



Commissioner O'CONNELL. Now, the men, before they struck, or before they rioted, or before there was any shooting on the part of anybody, or any boycotting or blacklisting, went to the legislature, or to the people, and enacted a law saying that eight hours should constitute a day's work for all men under ground. Now, so far as that goes, they began what Commissioner Weinstock suggested they ought to do instead of taking the short cut, and they put that law on the statute books, but no one paid any attention to it, did they?

Dr. GADDIS. Not for some years.

Commissioner O'CONNELL. Then the men decided—they have taken this roundabout way to get on the statute books a law saying the employer shall not permit men, even though they want to, to work more than eight hours under ground, and yet the employers for 10 years, you say, paid absolutely no attention to the law?

Dr. GADDIS. Well, whatever I read.

Commissioner O'CONNELL. Well, now, regardless of that, so far as you know, have they paid any attention to the hours regarding certain limitations in the working day?

Dr. GADDIS. They did not for some time, as I understand it.

Commissioner O'CONNELL. The workmen of Colorado went to the legislature and had a bill enacted into a law saying that the companies in Colorado shall not carry on a so-called company store—that that would be a violation of law to do it.

Dr. GADDIS. To compel people to trade there only.

Commissioner O'CONNELL. Now, instead of going on strike against it, or rioting, or boycotting or having murder or anything of that character to put that into effect, they went the roundabout way that Commissioner Weinstock suggests, and did not take the short cut, and put it on the statute book, and yet the mine owners paid no attention to that law, and have not for years.

Dr. GADDIS. And do not to-day.

Commissioner O'CONNELL. They are not obeying the law to-day?

Dr. GADDIS. I do not believe they are; no, sir.

Commissioner O'CONNELL. The workmen went to the legislature, the miners in particular, and wanted a law enacted that would permit use of—

Dr. GADDIS. Checkweighman?

Commissioner O'CONNELL. Checkweighman on the scale house, or tippie, as it is commonly called, so that we will get the actual production of coal that we produce here, and the legislature enacted that into law.

Dr. GADDIS. Yes, sir.

Commissioner O'CONNELL. The men again did not take the short cut; they took the roundabout way to get it.

Dr. GADDIS. Yes, sir.

Commissioner O'CONNELL. And they put that on the statute books.

Dr. GADDIS. Yes, sir.

Commissioner O'CONNELL. And for years the mine operators have paid no attention to that law.

Dr. GADDIS. That is certainly the case.

Commissioner O'CONNELL. So that the workmen finally decided, we have taken this roundabout way, of which we were advised by professors and doctors and business men and all law-abiding citizens and all God-fearing men; we have taken this roundabout way they have talked about, and gone to the people and asked them to make laws to help us.

Dr. GADDIS. Yes, sir.

Commissioner O'CONNELL. The people have made them?

Dr. GADDIS. Yes, sir.

Commissioner O'CONNELL. And the boss says, in the language of the street man, "To hell with your law," and does not pay any attention to them?

Dr. GADDIS. Yes, sir.

Commissioner O'CONNELL. And the men say if that is the case there is but one thing left to do—strike to enforce those laws?

Dr. GADDIS. And I believe in it.

Commissioner O'CONNELL. And when they struck to enforce those laws the employers had so infringed on their political positions in Colorado, as they have been, and the people in the counties in which those mines are located have absolutely no political freedom, and they have been dominated in every way, and the politics in that portion of the State, at least some parts of it, have been carried on illegally?

Dr. GADDIS. Mr. Bowers's language in that letter speaks stronger than I could.

Commissioner O'CONNELL. And finally, to protect their homes and families against the invasion of thugs and their helpers from all parts of the United States that were brouhgt in here, and gunmen, and even the militia that is supposed to enforce the laws that the State of Colorado has put upon its statute books, and which the employers absolutely refuse to put into force—is that the situation?

Dr. GADDIS. Yes, sir.

Commissioner O'CONNELL. Then the suggestion offered by Commissioner Weinstock in which he tried to have you say that you were not in favor of men taking the short cut to get there—

Dr. GADDIS. I am in favor of it when they can get it.

Commissioner O'CONNELL. But there was a political field for them to go and get it, there was a sheriff and local police to do things with?

Dr. GADDIS. Yes, sir.

Commissioner O'CONNELL. And the machinery in Colorado, which those men had put into effect, had put the laws on the statute book, and then to enforce the laws they were compelled to go on strike; they were compelled to face these thugs and detectives and gunmen that were brought into the State, and in addition the State militia that were brought in there to enforce the State laws, not their wishes, but laws that were on the statute books of the State of Colorado, put there by the Legislature of Colorado and the people of Colorado, which the employers of Colorado refused to carry out?

Dr. GADDIS. Yes, sir.

Commissioner O'CONNELL. That is the situation that we find that resulted in that strike?

Dr. GADDIS. Yes, sir.

Commissioner O'CONNELL. The eight-hour law, of course, when it went on the statute book in Colorado was appealed to the courts and was declared unconstitutional?

Dr. GADDIS. Yes, sir.

Commissioner O'CONNELL. But later on it was appealed to the people and the people said—

Dr. GADDIS. We want it.

Commissioner O'CONNELL. We want the eight-hour day, and the people outside of the Legislature of Colorado and outside of the courts have declared it constitutional, the people said it is constitutional and we want it, and yet the mine owners of Colorado say, "We won't carry out the law," and they have not up to this date?

Dr. GADDIS. I think they have carried out the eight-hour law underground.

Commissioner O'CONNELL. In regard to the company store, and the right to have a man on the tippie to weigh the coal for them?

Dr. GADDIS. The eight-hour law for the last year or two is quite well observed underground.

Commissioner O'CONNELL. But what about the company stores?

Dr. GADDIS. It is a very flagrant condition, indeed.

Commissioner O'CONNELL. And what about their right to have a man to see that their coal is weighed properly?

Dr. GADDIS. They had one man in Starkville when the strike was called; that was a checkweighman for any length of time. When the man asked for a checkweighman, in the language of the super., he was getting too smart.

Commissioner O'CONNELL. And he got what?

Dr. GADDIS. He got it in the neck, generally.

Commissioner O'CONNELL. Now, what was there left for the miners of Colorado to do, when they had gone this roundabout way and got the laws put on the statute book for eight hours, and the right to have their checkweighman to see that they got the coal they produced, and for the abolition of the company stores, for the freedom of the citizens of the State of Colorado, and the laws were not obeyed, what was there left for the men to do?

Dr. GADDIS. I think nothing but to make a demonstration.

Commissioner O'CONNELL. And that demonstration was to strike against disobedience of the law, not on their part, but on the part of the coal operators of Colorado?

Dr. GADDIS. Yes, sir; that is my position.

Commissioner O'CONNELL. Now, you were asked if it was right for a man to quit his job at will and was it not also right for the employer to dis-



charge at will, and I think your answer was that the cases are not the same.

Dr. GADDIS. I don't think it is. I think the advantage is with the employer 100 to 1 over the employee.

Commissioner O'CONNELL. Absolutely. Now, the employee quits his job; he has a right; we concede the right to quit his job; and under general conditions, under reasonably fair conditions, we concede the employer has the right to dismiss.

Dr. GADDIS. Certainly.

Commissioner O'CONNELL. But when it comes to a question of equity—the equity between the two propositions, between the two opportunities—there is no equality?

Dr. GADDIS. No, sir; not at all; they are not parallel.

Commissioner O'CONNELL. The employee can quit his job, and the employee of the Colorado Fuel & Iron Co., employing between six and seven thousand men, one man quitting his job does not affect the operations of the Colorado Fuel & Iron Co. at all?

Dr. GADDIS. Let me give you an illustration.

Commissioner O'CONNELL. If you will allow me to continue.

Dr. GADDIS. Excuse me.

Commissioner O'CONNELL. He did not interfere with the operation of the affairs of that company in any way?

Dr. GADDIS. Not at all.

Commissioner O'CONNELL. He is hardly a cog in the wheel, as it were. If, on the other hand, if the company dismisses a man that was living in one of their company houses and the company ground, when they discharge him they deport him; he must leave that community?

Dr. GADDIS. In a hurry, too.

Commissioner O'CONNELL. And he must take his children and his wife and his household goods and put them on his back, because I suppose they could carry on their back all that they have and leave that community, so what equity of the situation is there? There is no equity in the situation at all.

Dr. GADDIS. No equity at all.

Commissioner O'CONNELL. He is driven from the community in which he probably has worked for years and built up associations with his coworkers, and he must lose all that and go to some other community and commence living anew, and there is a slight possibility when he reaches this new community that those employers in that community have heard of him and his record and that he finds it impossible to secure employment there.

Dr. GADDIS. That is admitted by the officers of the Colorado Fuel & Iron Co.

Commissioner O'CONNELL. So that equity in a man having a right to quit and the employer having the right to discharge is equity in name only?

Dr. GADDIS. Yes, sir; sound of words. The illustration of the equality between the employer and employee comes to me in regard to the Colorado Fuel & Iron Co. After this disastrous 15 months' strike, the twenty-second annual report of the C. F. & I. Co. shows a net balance of \$4,000,000. They are not bankrupt by any means after this disastrous strike, which cost them \$1,000,000 or more. In one instance there was a man told me in Trinidad before he left there that there were persons crying for something to eat; that they had gone out in support of what they considered their rights. There is not much equality there.

Commissioner O'CONNELL. Do you believe that the miners—and they are the large citizens of these mining communities, in these southern and northern counties of Colorado—have had the free ballot?

Dr. GADDIS. I beg your pardon.

Commissioner O'CONNELL. Have they had the free ballot—the right to ballot—the free right to vote as their conscience dictates?

Dr. GADDIS. I know that there is indirectly, and I don't know but what direct, influence brought to bear upon the political—the civil right of the miners, for instance—the manager of the fuel department of the C. F. & I. was going around during the strike and saying when he was asked about conditions, were they going to be relieved, and his reply was, and he had it stereotyped and got it off a good many times, "There will be no permanent relief until there is a change of government in Washington. When God wants to chastise the American people he gives us a Democratic administration." How can that be interpreted by men working in the camps as laborers to get what they want unless they go to work and help put out the Democratic administration?

Commissioner O'CONNELL. Do you suppose there are some of the people in these northern and southern counties in Colorado that fear that God will never reach that part of the country, or bring some wonderful influence there that will give them a change?

Dr. GADDIS. That is one reason, candidly, that I wanted to stay there, to bring God to those people.

Commissioner O'CONNELL. The coal company and their officers there in those counties, I suppose, are not politically interested in that phase of it, in bringing God to the miners or the miners close to God?

Dr. GADDIS. You mean the officers there?

Commissioner O'CONNELL. Yes, sir.

Dr. GADDIS. I don't think they are interested. There was one super. that attended pretty regularly on religious services, but when I spoke in regard to the conditions in the camp to Mr. Bowers, and also to Dr. Corwin, of the unfitness of those men to hold such prominent positions, Mr. Bower said to me, "Those men are there for a certain purpose," and that purpose was to get coal, no matter what else they did; and Dr. Corwin said to me, or substantially said, "Those men are there to get coal and not religion."

Commissioner O'CONNELL. Are you familiar with the situation in Huerfano County, in which Jeff Farr is sheriff, or "King" Farr?

Dr. GADDIS. He is known as the big boss and is worth considerable money in that community, and he has a great influence there, and, in one instance, he tried to work it on me.

Commissioner O'CONNELL. Yes, sir; I will ask you about that in a moment. He had been sheriff for a great many years?

Dr. GADDIS. I think 15 years.

Commissioner O'CONNELL. And he is looked upon—I think it was used before our hearing in Denver; I think it was "king," or some such title, that was used in connection with his name—that he dominated everything, practically, politically, industrially, and commercially, in that county.

Dr. GADDIS. I think, as far as he can, he does.

Commissioner O'CONNELL. That in elections he has used every influence, honorably and dishonorably, to influence elections in that county; that he was a party in the distribution of funds to buy votes, as was evidenced by a witness that came before our commission that was the distributor of the money; that their influence was being used upon the citizens of that county to vote all citizens—I think it has been used several times, the statement that even the sheep in that county were voted if they had names?

Dr. GADDIS. Mules.

Commissioner O'CONNELL. One instance of a witness in Denver, who said they were driving a number of sheep through the streets on election day—or through the street; I don't know whether they have more than one street there—and when the ballots were counted, the sheep were also counted.

Dr. GADDIS. I never heard that before.

Commissioner O'CONNELL. Yes, sir; that was in evidence before us, also. It was also testified to that Jeff Farr, or Sheriff Farr, was the president of a realty company of the town?

Dr. GADDIS. He is. He owns, I think, 50 per cent.

Commissioner O'CONNELL. That the realty company controls the real estate and also the wholesale liquor business in the town.

Dr. GADDIS. And a good deal of the property to rent.

Commissioner O'CONNELL. And they own property in the town or county—it is an incorporation?

Dr. GADDIS. Yes, sir.

Commissioner O'CONNELL. That no one could get a license in that community to sell liquor unless they bought their liquor from this wholesale house, of which Mr. Farr was president?

Dr. GADDIS. I think he pretty nearly dominates everything.

Commissioner O'CONNELL. So that in practically every walk of life in that one county, in which Mr. Farr is said to be the king, that when he speaks the people generally believe that he is representing the thought and wishes of the mining company?

Dr. GADDIS. There could not scarcely be a closer relation right now, and has been for years, between the C. F. & I. Co. and Mr. Farr and his clique.

Commissioner O'CONNELL. Now, that being the situation in that part of Colorado, do you wonder that the citizens, the men and women that have a



right to vote, feel that they can get no results, no justice, from the mere matter of casting a ballot in that county on any question that they are interested in, either morally, industrially, financially, or otherwise?

Dr. GADDIS. I think it has been very thoroughly driven home to them.

Commissioner O'CONNELL. So the matter of voting for them, if they vote, is a matter of form?

Dr. GADDIS. It is a waste of time.

Commissioner O'CONNELL. It was a custom that has grown up, so that Jeff Farr could see them go to the ballot box, and if they did not they would lose their jobs the next day? Is that the condition?

Dr. GADDIS. Very likely.

Commissioner O'CONNELL. Now, all that situation existing, and with the picture of taking this roundabout way that Commissioner Weinstock has spoken to you about, preferably to taking this short cut, can you conceive of the coal miners of Colorado and their families securing any justice at the hands of the ballot box by allowing the imposition of unfair industrial conditions to prevail year in and year out?

Dr. GADDIS. In some localities it is impossible.

Commissioner O'CONNELL. And to wait and wait and wait for probably this thought that you have given, for God to change the political situation of our country and then only may they hope for a change?

Dr. GADDIS. That is the only hope, I believe. God Almighty; it is beyond the human.

Commissioner O'CONNELL. Now, do you believe that a man has the right to work under any condition, for whom he pleases, regardless of the rights of others? I say moral condition, I am not speaking about the law. Do you think he has a moral right to take another man's position or to work for an employer under any condition, under any wages, under any hours of labor, under any conditions of fair or unfair treatment, under any insanitary conditions, under any dangerous conditions, merely because the law says, or at least the interpretation of the law by those that interpret it, says that he has a right to work?

Dr. GADDIS. Absolutely and unequivocally and eternally no. There was somebody said—

Commissioner WEINSTOCK. Not to what?

Dr. GADDIS. That he has not the moral right to take a man's place under any condition. There has a good deal been said in regard to documents published by the company in regard to the loyalty of people that remained in the mine, the workmen. There were a great many people that remained in the mines that were not loyal to the coal company at all, they sympathized with the unions, they stayed there, and they were undoubtedly getting information that the unions wanted, some of them. Now, in regard to the railroad, that is quite a considerable investment of these large subsidiary companies of the C. F. & I. Co., they have a very large number of men, and everyone of those men, so far as I know, were union men. I was in Segundo one evening during the strike and the word was given out that the place was going to be shot up by the strikers at Old Town. The railroad men and their families were fully one-third of that camp, if not one-half. They communicated with the superintendent of the C. & W. road, which is the company's road, asking them if they could take out a special train with their families; that they didn't want to take part in this defense of the camp and be shot or shoot, and he said, "No; you can not take a train out." They didn't cut the wires, but hung up the telephone and when the time came they fixed up their train, in direct contravention of this man's orders, and everyone, I think, except one man's wife that I heard of, left the camp in two carloads. They telephoned to Old Town before they left saying, "Don't shoot at this train, we are union people"; and before they left that camp, in order that no special train for the help of the people that were there could be used or engines could be used, they filled the fire boxes of the engines that remained there with water. Now, if that is loyalty, I don't know just exactly what disloyalty is. Quite a number of those men lost their places afterwards.

Chairman WALSH. Commissioner Weinstock has some more questions to ask you.

Commissioner WEINSTOCK. I take it, Doctor, that you, in common with myself, are sufficiently familiar with aims and purposes and objects of organized labor to understand that its objective was in part to secure a higher wage for the workers and shorter working days, better working conditions, and legislation?

Dr. GADDIS. Yes, sir.

Commissioner WEINSTOCK. That will tend to the betterment of the workers and the enforcement of such legislation?

Dr. GADDIS. Yes, sir.

Commissioner WEINSTOCK. I think you will agree with me that is the general aim and object of organized labor?

Dr. GADDIS. Yes, sir.

Commissioner WEINSTOCK. Not only the securing of a higher wage and shorter workday and better working conditions and desirable legislation but also the enforcement of that legislation?

Dr. GADDIS. Yes, sir.

Commissioner WEINSTOCK. Now, organized labor is represented in Colorado, is it?

Dr. GADDIS. I think it is.

Commissioner WEINSTOCK. They have the State federation there?

Dr. GADDIS. Yes, sir; I attended one of their meetings that met in Trinidad.

Commissioner WEINSTOCK. Do you know they have the State federation?

Dr. GADDIS. Yes, sir.

Commissioner WEINSTOCK. And the United Mine Workers of America have also an organization in Colorado, have they not?

Dr. GADDIS. Yes, sir.

Commissioner WEINSTOCK. Very strong. Of course, you also know, in common with myself, I take it, that one of the policies, and I think a very wise policy on the part of organized labor, is that in order not to jeopardize the jobs of the workers that when they have grievances they shall not be called upon to submit their grievances to their employers, for fear that it may lead to the loss of their position. Therefore, their organizations have officers—

Dr. GADDIS. Grievance committees.

Commissioner WEINSTOCK. Grievance committees, and who are absolutely independent of the employers?

Dr. GADDIS. Yes, sir.

Commissioner WEINSTOCK. And who go to the employers with any grievance of the individual worker, and demand what they believe is redress of those grievances?

Dr. GADDIS. That is the case as I understand it.

Commissioner WEINSTOCK. Now, I think that you probably also realize, as you have been here and heard the testimony, that there is no association in America that is in a position to raise money more effectually or more abundantly, when the occasion arises, than the American Federation of Labor. It was pointed out by a witness on the stand the other day that the American Federation of Labor claims a membership of 2,000,000; that an assessment of 1 cent per capita would mean \$20,000; that an assessment of \$1 would mean \$2,000,000, so evidently there is ample opportunity for raising the necessary money to carry out the aim and object of the organization.

Dr. GADDIS. I am glad of it.

Commissioner WEINSTOCK. Do you know of any instance, Doctor, where organized labor of Colorado, through the State federation or the United Mine Workers of America, exercised their power and their influence to see that these laws were obeyed and respected and enforced on the part of the mine owners or operators?

Dr. GADDIS. Do I know of any instance?

Commissioner WEINSTOCK. Yes, sir.

Dr. GADDIS. Why, I can not say that I do. I was not in touch with the work there in Denver; I don't know what they tried.

Commissioner WEINSTOCK. You know, having lived in Colorado as long as you have—

Dr. GADDIS. I lived in Colorado about two years.

Commissioner WEINSTOCK. You lived in these mining towns where you say the laws were not being enforced, and if there had been any effort made on the part of organized labor to see that these laws were enforced, you would have known of it? It would have been brought to your attention very quickly?

Dr. GADDIS. I likely would have known it.

Commissioner WEINSTOCK. Then, if those laws were not enforced, did not the burden rest—we will admit that theoretically it rested with the officers, that it is their duty to enforce every law on the statute book, but we know



that laws are so numerous, and the average officer so indifferent, that he does not exercise himself to see that the law is enforced, unless there is an effort made, or a complaint made, and brought to his attention. Now, if there was no effort made on the part of organized labor, which could have been done without a single prejudice to the workers in the mine, if there was no effort made in that direction, who is to blame?

Dr. GADDIS. I will not admit that there are not; I could not admit that.

Commissioner WEINSTOCK. Well, if there was, you would be likely to know of it, would you not? It would become a matter of common talk in the camp; it would be a matter of public notice?

Dr. GADDIS. I could not admit there was not a desperate effort made.

Commissioner WEINSTOCK. Then you do not know of any effort that was made?

Dr. GADDIS. I do not recall any now; no, sir. I will take that back; the instance I quoted of the men being thrown in jail to get the right to recall certainly was an exercise of—

Commissioner WEINSTOCK (interrupting). Will you be good enough to recite that circumstance again?

Dr. GADDIS. There were several decisions rendered by a district judge, McKendry, that had an unmistakable coloring in favor of the operators, and there was a petition started, signed by some 2,000 citizens; it had nearly 2,000 names. This judge that had this thing coming at him, to get him on the hip, as the slang phrase is—he turned around and had these men arrested for contempt of court, and they were put in jail and are out on bail to-day.

Commissioner WEINSTOCK. Did organized labor come to the defense of those men?

Dr. GADDIS. Yes.

Commissioner WEINSTOCK. If organized labor came to the aid of those men, why could organized labor not also have exercised its power and influence to see that the laws established for the protection of the workers, and perhaps not in the interest of the owners, why could they not exercise whatever influence was at their command to see that those laws were enforced?

Dr. GADDIS. I believe they did so exercise that influence.

Commissioner O'CONNELL. They went on strike to enforce the laws?

Dr. GADDIS. Certainly they did; they went on the strike against the non-enforcement of the law, which is equivalent to trying to enforce the law.

Chairman WALSH. Let Commissioner Weinstock finish his questioning, please.

Commissioner WEINSTOCK. The point I want to make, and make clearly, Mr. Gaddis, is to find out whether organized labor carried out one of the chief purposes of its existence, and that is in the interest and for the protection of the workers to see that the laws created in the interests of the workers are enforced.

Dr. GADDIS. If you will grant me the privilege of asking any representative of organized labor here in this audience and who is familiar with the affairs of that labor organization in Colorado to answer that question—I say it is a matter of ignorance with me, but I think men are here who can answer it.

Commissioner WEINSTOCK. That is not admissible at this stage of the proceedings; I want to get your knowledge, and not that of others.

Dr. GADDIS. It would be a matter of fact and not of opinion.

Commissioner WEINSTOCK. Do you know of any instance where organized labor ever did exercise its power to have the laws enforced in the interest of the workers?

Dr. GADDIS. The labor convention—the State labor convention which I attended at Trinidad—some of its sessions were quite interesting to me, because they had up to this coming strike of a year hence, and I know that I heard or remember of a Mr. Doyle, I think it was, constantly referring to the recall and referendum that they were starting or going to start, and I inferred from my several attendances upon the session there that they were trying to enforce the laws of Colorado.

Commissioner WEINSTOCK. Are you sure that it was actually done?

Dr. GADDIS. I am sure it was.

Commissioner WEINSTOCK. Do you know of any instance where organized labor went to the district attorney of the county, or to the sheriff of the county, or to any of the officers whose duty it was to enforce those laws, and demanded that they should be enforced?

Dr. GADDIS. If they had gone to Jeff Farr I think they would have gotten the laugh.

Commissioner WEINSTOCK. Do you know whether they went to Jeff Farr or not?

Dr. GADDIS. I doubt it very much.

Commissioner WEINSTOCK. I take it, Doctor, that you also in common with myself highly value your citizenship and your right to vote, do you not?

Dr. GADDIS. I do, sir.

Commissioner WEINSTOCK. And if you were to be robbed of your right to vote you would feel as strong a spirit of rebellion as a man could feel under such circumstances; am I right in that?

Dr. GADDIS. I would resent that with all of the strength of my being.

Commissioner WEINSTOCK. Exactly. Now, as an American citizen who, I take it, keeps himself reasonably well informed, you are aware of the fact that for decades, especially in our larger cities, all over the country, like San Francisco, Chicago, New York, Boston, Philadelphia, and Pittsburgh, the great body of the citizenry in those cities were absolutely robbed of their vote by gangsters and by political bosses and by ward heelers?

Dr. GADDIS. I helped to defeat George B. Cox in Cincinnati; I lived there as a pastor.

Commissioner WEINSTOCK. Because of that very thing, I take it; is that right?

Dr. GADDIS. Yes; that is right.

Commissioner WEINSTOCK. All right, Doctor. Now, if the right of citizenship is highly prized and valued by yourself, and I think it is also by our fellows, and they rob us of the right to vote, they rob us of our greatest privilege?

Dr. GADDIS. They did in Camp Morley, and in Pietou, in the school question.

Commissioner WEINSTOCK. Then, if men are robbed and resort to violence and bloodshed simply because they lose their jobs, how much more justified are they in resorting to bloodshed and violence when they lose their right of citizenship; and if so, the citizens of these cities would have been justified in taking their guns and shooting down the gangsters and ward heelers, would they not?

Dr. GADDIS. It was close to that in many cities.

Commissioner WEINSTOCK. Did they do it?

Dr. GADDIS. No, sir.

Commissioner WEINSTOCK. Have there been remedies along that direction?

Dr. GADDIS. Yes.

Commissioner WEINSTOCK. How was it obtained?

Dr. GADDIS. It has been, I think, through public enlightenment and awakening and uplifting of the standard of public conscience until these men could not get by with it.

Commissioner WEINSTOCK. So, in industrial matters, you say you justify violence and breaking of the law, but when it comes to political matters you do not justify it?

Dr. GADDIS. I said, Mr. Weinstock, in extreme cases; only in extreme cases would I justify an act of violence.

Commissioner WEINSTOCK. What more extreme circumstance can you think of than to be robbed of your vote year after year? I know I have been robbed of my right to vote in California, with others of my fellows. I can not conceive of a more extreme case than that, when it comes to civil and political rights.

Dr. GADDIS. What are you driving at?

Commissioner WEINSTOCK. I am driving at this, that if violence is justified under the circumstances you think it is, would it not have been equally justifiable in our large cities when men were robbed of their votes?

Dr. GADDIS. As I said, in regard to violence in industrial matters, each case would have to rest on its own merits. The fact there was no outbreak justifies the idea that there was no cause for it.

Commissioner WEINSTOCK. There was cause for it, because you said you helped to correct the condition.

Dr. GADDIS. There was some cause, but it did not reach revolution.

Commissioner WEINSTOCK. The city was being pillaged and looted of thousands and millions of dollars, and you say, under those circumstances, men were not justified in resorting to violence?

Dr. GADDIS. It did not come to that pitch.

Commissioner WEINSTOCK. Would they have been justified in resorting to violence, if they had?



Dr. GADDIS. I do not say so, because they could have gotten a remedy without that. I should say violence should be used as an extreme and last possible resort when everything else has been tried and failed.

Commissioner WEINSTOCK. Very well, your contention is that in Colorado everything had been tried, and failed?

Dr. GADDIS. That would be the inference, would it not?

Commissioner WEINSTOCK. Yes. Let us see if everything had been tried and failed. You admit the recall was not resorted to?

Dr. GADDIS. I would say so, as I view that matter; but as you may explain it, it may not so appear.

Commissioner WEINSTOCK. Well, what was tried and failed, beyond the men making the demands and striking because their demands were not granted; what had been tried beyond that?

Dr. GADDIS. I think they tried a great many things.

Commissioner WEINSTOCK. If they tried a great many things, you ought to be able to name a few.

Dr. GADDIS. I think they tried to have the laws enforced.

Commissioner WEINSTOCK. How?

Dr. GADDIS. By the recall.

Commissioner WEINSTOCK. When did they exercise the recall? Name an instance.

Dr. GADDIS. As I said to you, I am absolutely ignorant of any concrete or specific case; but I do not doubt many could be cited.

Commissioner WEINSTOCK. If you are ignorant of a concrete or specific case, how can you say that they were tried and failed?

Dr. GADDIS. I would say, in my view, violence was justified there. I may be wrong, but that is my view of it.

Commissioner WEINSTOCK. In one breath you tell us that everything had been tried and failed, and therefore they were justified in resorting to violence, and in the next breath you say you can not tell us anything that was tried and failed, except the strike?

Dr. GADDIS. We are talking pretty rapidly, and perhaps you are not giving me time to cogitate.

Commissioner WEINSTOCK. Take all the time you want, Mr. Gaddis; we are here to get information and get facts, and we can not devote our time to better advantage than to get those facts; and if it requires more time on your part, collect your thought, and if you require more time, we will give you more time.

Dr. GADDIS. I do not want you to make out that I am contradicting myself.

Commissioner WEINSTOCK. I am not trying to make out you are contradicting yourself; if you are contradicting yourself, it is not because I made you.

Dr. GADDIS. In one breath you are saying you are not trying to make me contradict myself, and in another you are.

Commissioner WEINSTOCK. The record shows it.

Dr. GADDIS. It is your talk that shows it.

Commissioner WEINSTOCK. No; it is your talk that shows it. You said a moment ago that the situation in Colorado, in your opinion, was extreme; that the limit had been reached?

Dr. GADDIS. Yes.

Commissioner WEINSTOCK. And you were asked if any effort had been made to avoid that extreme limit by seeing that the laws were enforced and to cite an instance in which it was done.

Dr. GADDIS. You won't allow men who can give concrete evidence of it to give it.

Commissioner WEINSTOCK. How?

Dr. GADDIS. You said they could not, a moment ago.

Commissioner WEINSTOCK. Mr. Reporter, will you read the record?

Dr. GADDIS. I asked to have men conversant with the situation in Colorado stand up and give an illustration.

Commissioner WEINSTOCK. I said that could not be done at this time, that what we wanted was your testimony.

Dr. GADDIS. I understood you to say you did not allow that.

Commissioner WEINSTOCK. We can not have chaos; we take one witness at a time.

Dr. GADDIS. I have professed ignorance of the matter, and you won't allow witnesses to come in and verify my statements.

Commissioner WEINSTOCK. I think you are jumping at a hasty conclusion when you say I won't allow any testimony to come in.

Dr. GADDIS. The only way you can convince me that you are right in that statement is by allowing a man to stand up and state the instances who has knowledge of them.

Commissioner WEINSTOCK. Who purposes to run this commission, the witness or the commission?

Dr. GADDIS. I am simply defending myself; you take care of the commission.

Commissioner WEINSTOCK. When we put a witness on the stand we want the opinion of the witness, and the views of that witness, and in due course we get the opinions and the judgments and the statements of all of the witnesses who are valuable and who can throw light on the subject. That has been the method of procedure of this commission, and I am sure it will continue to be the method of procedure of this commission.

Dr. GADDIS. Will you permit—will Mr. Walsh permit someone to come here after I leave the chair and testify as to how the law was obeyed, from the standpoint of labor?

Commissioner WEINSTOCK. That is the privilege of the chairman.

Dr. GADDIS. Very well, I am satisfied.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. Commissioner O'Connell has some questions.

Commissioner O'CONNELL. Are you a member of organized labor?

Dr. GADDIS. I am not.

Commissioner O'CONNELL. And therefore you could not be expected to know what organized labor has or has not done in the matter of making efforts to see that legislation was carried out, that the laws of the State were carried out, or what they have done in any way at all, as Commissioner Weinstock has been trying to make you answer?

Dr. GADDIS. I have only a cursory knowledge of affairs of that kind; my work was sociological, and was very close to the industrial side of the work, and I was quite busy.

Commissioner O'CONNELL. You were not a member of organized labor, and therefore were not permitted to enter the chambers of organized labor as a member?

Dr. GADDIS. Not at all.

Commissioner O'CONNELL. And therefore could not get information as to what they had or had not done?

Dr. GADDIS. No.

Commissioner O'CONNELL. And you may have ideas from reading about those matters or discussing them with union men or nonunion men that thought they knew about it, but as you were not a member of organized labor you could not speak as to the exact conditions?

Dr. GADDIS. I have confessed ignorance that I could not, but there are others here who can.

Commissioner O'CONNELL. Commissioner Weinstock, in his examination of you, pointed out the wonderful influence the American Federation of Labor had, particularly its ability to raise money; he said they could assess their 2,000,000 members 1 cent each and raise \$20,000, assess them \$1 each and raise \$2,000,000, and that both he and you agreed that was so?

Dr. GADDIS. Yes.

Commissioner O'CONNELL. The fact is that is not so. The American Federation of Labor can not do any such thing, and I state this for the information of both you and Mr. Weinstock.

Dr. GADDIS. I said I was glad if that was so.

Commissioner O'CONNELL. The American Federation of Labor has a law which prohibits the assessing of its members over 10 cents each in any one year, so that if there were all kinds of strikes and troubles in the country, the American Federation of Labor could not assess its members over 10 cents each in any one year.

Commissioner WEINSTOCK. That would make a maximum of \$200,000?

Commissioner O'CONNELL. Yes; but never in the history of the American Federation of Labor has that assessment been levied, or that number of assessments. They can not be levied at one time in the year, but a period must elapse between the assessments; there must be two or three months between the assessments. The American Federation of Labor has great influence, and it does not become necessary to levy assessments; it simply asks for voluntary donations to carry on certain things, and the organizations contribute liberally.



Dr. GADDIS. I understood Mr. Weinstock to say that a witness here, who is supposed to know, testified they could raise any amount they wanted.

Commissioner O'CONNELL. No; I think he quoted from what he thought was in his knowledge.

Commissioner WEINSTOCK. No; I quoted from a witness here a day or two ago.

Commissioner O'CONNELL. Then, I take it that witness was not as well informed on the subject as Mr. Weinstock expects you to be on the affairs of the unions in Colorado, of which you are not a member.

Commissioner LENNON. I want to ask one question on the effort made by the unions to straighten this matter out before they resorted to strike. You may or may not have any knowledge in regard to the question I am going to ask. Do you know whether or not the union, through its proper officials, made an effort through the Government, through prominent citizens of Denver and Colorado, through the legislature and other ways, to secure a conference with employers regarding this enforcement of the law in order that a strike might be avoided?

Dr. GADDIS. I certainly do. And I know that the operators pursued the most high-handed tactics I ever heard of in my life. They did not even condescend to reply to some of their correspondence, and in one case when one of the representatives of the Colorado union was sitting in the room they refused to speak or be in the man's presence.

Commissioner LENNON. Do you know that they refused to meet and confer with the representatives of the miners?

Dr. GADDIS. They did, as representatives of the union. They said: "We will meet you as individuals." I would like to say, and then I am through, that technically the strike was lost. It was a terrible struggle, one of the worst the American unions have ever known, but in reality I believe it is one of the greatest victories ever achieved in the United States. The operators out there to-day, I tell you, have their ears to the ground, and they will be more careful indeed in regard to things in the near future, if not permanently.

Chairman WALSH. That is all, thank you, Doctor. You may be excused.

Dr. McCorkle.

#### TESTIMONY OF DR. DANIEL SPENCER McCORKLE.

Chairman WALSH. Will you please state your name?

Dr. McCORKLE. Daniel Spencer McCorkle.

Chairman WALSH. Where do you live?

Dr. McCORKLE. I live now in Sunrise, Wyo. I was born in central Missouri and reared there.

Chairman WALSH. What is your calling?

Dr. McCORKLE. I am an ordained minister in the Presbyterian Church.

Chairman WALSH. How long have you followed the calling of a minister?

Dr. McCORKLE. I enrolled for the work of the ministry—put myself under the care of the presbytery as a candidate for the ministry in the year 1900 at my home town in Missouri. I did not immediately take up the active work of the ministry. I was then 20 years of age and had to put myself through the academy, the college, the seminary, and the university. I began my work as a minister by occasional visits to supply other pulpits; in 1908 was the first time I had charge of a church, giving it my full time, in Carlyle, Kans. Since that time, with the exception of one or two years spent in other work, all the time outside of my school work has been devoted to work of the ministry and mission work of our church. I have preached in Montana two different summers; I have worked a part of my time during the three years I was in the seminary at the Labor Temple, under Mr. Charles Stelzle, and later under Mr. J. C. Day, in New York City, on the East Side. I also, during the middle year of my seminary work, was employed by the Children's Aid Society, and worked at the Forty-fourth Street Boys' Home, and did some work at the Union Seminary, also some work in the Episcopal Church, teaching Sunday school.

I have spent two summers and some months in addition as field investigator under the home mission board of our church, studying rural church conditions in the State of Ohio. I took up my work as minister in Sunrise on the 14th of February, 1914, and was ordained in April, 1914.

Chairman WALSH. Have you had any experience with the properties of what are known as the Rockefeller interests in Wyoming?

Dr. McCORKLE. I am—those located in Sunrise, Wyo.

Chairman WALSH. Just state what there is there, if anything, of the Colorado Fuel & Iron Co.

Dr. McCORKLE. It is an iron-mining village where everything is owned by the Colorado Fuel & Iron Co.; no one is allowed to own any land at all in the camp or allowed to put up any public building or develop any permanent claim whatever. The only buildings that have been allowed, I believe, at all to be erected by private persons are some barns—small barns, possibly there is something else like that—a few little shacks were built one year in view of the fact that the company houses were not sufficient to accommodate all of the men.

Chairman WALSH. What is the population of Sunrise, Dr. McCorkle?

Dr. McCORKLE. It is approximately 500 at the present time. There are something like 300 men working there. At one time they had more than 700 men, I understand, at work.

Chairman WALSH. What is the character of the work that is done there by the Colorado Fuel & Iron Co.?

Dr. McCORKLE. The mining of iron ore for use in Pueblo.

Chairman WALSH. Is anything else done in connection with it or is the ore all shipped out? Is there any smelting done there or anything of that sort?

Dr. McCORKLE. That is the only industry. They have the company store and the railroad.

Chairman WALSH. Have they stores with outside ownership at all?

Dr. McCORKLE. They are not allowed. I mention that in my paper.

Chairman WALSH. Have you written out an outline of conditions as you found them there, and as you still find them?

Dr. McCORKLE. Yes, sir; I have rather a complete outline.

Chairman WALSH. Are you still a minister at Sunrise, Wyo.?

Dr. McCORKLE. Yes, sir; I am.

Chairman WALSH. I wish you would, if it is convenient for you to do so, to read your outline now and then perhaps I may ask you some questions, and the other commissioners may want to ask more.

Dr. McCORKLE. Perhaps I ought to preface the reading of this article with the mention of the fact that in undertaking the work of the ministry I found myself, several years ago, required to choose between mission work in China, which appealed to me very much, and my feeling that in industrial communities in this country the foreigners were getting a very false notion of Christianity as represented by the American people. And finally I decided to give my life to religious work in industrial communities, particularly among foreign-born people. To that end I have put myself through academy and college and took my B. D. from the Union Theological Seminary in New York City and my degree of A. M.—in sociology and economics—in Columbia University.

Chairman WALSH. Columbia University, New York?

Dr. McCORKLE. Yes, sir.

Chairman WALSH. What degree did you take?

Dr. McCORKLE. A. M. 'I took my major in sociology and my minor in economics.

Chairman WALSH. Go ahead.

Dr. McCORKLE. I wrote my M. A. thesis as a study of the conditions prevailing in the rural community near Billings, Mont., an irrigated district. I believe that thesis is referred to frequently in the work of the sociological department in Columbia University now.

Chairman WALSH. How old a man are you now, Mr. McCorkle?

Dr. McCORKLE. Well, I don't know; I am a little more than 35 years old. I was 20 years old and past before I had an opportunity to go to school at all. When I was a boy on the farm I had to work and study when I could; but after I was 20 I started in the academy.

Chairman WALSH. You began life on a farm? You were raised on a farm?

Dr. McCORKLE. Yes.

Chairman WALSH. Go ahead; I interrupted you.

Dr. McCORKLE. I was going to say that I undertook to get a practical acquaintance with working conditions and so, to that end, beginning in 1904, I worked in an automobile shop in St. Louis at mechanical work. I went to the harvest fields in 1905 in Oklahoma; also in 1906 I made the harvest fields from Kansas to North Dakota—Kansas, Nebraska, and South and North Dakota. I made the harvest fields again in 1907 in Kansas, in Colorado, and the broom corn locality in Oklahoma, coming in that way to meet with a great number of the drifting, unorganized workers. I went back to the harvest fields in Kansas the year after I had graduated from college. Finishing my work there I passed



on down through Oklahoma and Nebraska and worked a while on a ranch and spent three months in roundhouse work at Raton, N. Mex., and from there I went to Billings, Mont., and worked some six weeks on concrete work on the street, and perhaps I might say—might begin my paper here, because it was in connection with these travels that I first gained information concerning conditions in the coal fields of southern Colorado.

My first acquaintance with industrial unrest in southeastern Colorado, other than what I had read in newspapers, came in connection with my work as a mechanic's assistant in the roundhouse at Raton, N. Mex. I worked there for three winter months of 1909 and 1910. Men who were working with me told me that life in the coal camps was not safe for any union sympathizer. One man told me that he knew personally of two men who had been killed in a New Mexico coal-mining camp not far from Colorado. Others told me that they knew men who had been driven out of Colorado camps near by by armed employees of the coal companies. Also that it was common for armed agents of the coal camps to enter the houses of the workmen and search them whenever they wished. That this was done without warrant or legal authorization. When leaving Raton, I planned to make a trip through some of the coal-mining camps in southeastern Colorado. Several friends urged me not to do this, telling me they believed my life would be in danger. I did, however, cross from Raton to Trinidad, visiting two camps on my way. I met in conversation with the miners en route, as well as in the stories of men at Raton, numerous charges of unjust treatment. Men were said to be compelled to trade at the company stores. Wages were said to be as low as \$1.50 per day with men with families, and practical miners complained bitterly of the great danger they must face continually because of windy shots; that is, powder charges set by inexperienced workmen in such a way as to ignite gas in the mining passages, which in turn raised clouds of dust, causing the deadly explosions of dust so common in southeastern Colorado.

One year after leaving Raton I took charge of a church near Billings, Mont., and in that connection spent one week of each month with two congregations in the mining camps of Bear Creek and Washoe, located near Red Lodge, Mont.

In June, 1911, while on my way to Bear Creek, I fell in company with an intelligent young Serb. We spoke of the situation as it appeared to the workman of the coal fields of southeastern Colorado. He had worked, he said in the mine at Starkville, Colo., just prior to the fatal explosion a few months previous. In this connection he told me a surprising story. I had him repeat it, and he gave it unchanged. I then put the chief items of his story on paper, and he vouched for them, item by item, as correct. He said:

"I was a mining foreman at Starkville, near Trinidad. I found gas in the mine."

He told me he found so much gas he tried to fan it out and couldn't do so.

"I found gas in the mine. I was fire boss"—

These are items that I wrote down at the time and kept in my notebook—

"I was fire boss and sent six men back home to keep them from working in the room where the gas was. The mine boss got angry. He said he was running the mine and discharged me for sending the men away. The superintendent met me and the mine boss and concurred in my discharge. This was at about 9.30 in the morning. At 10 o'clock that night the mine blew up and about 75 men were killed."

Those were his figures, or his estimate, I presume. Fifty-six, in fact, were known to have been killed.

"There was gas in three or four rooms—gas for 100 or more feet. I did not report it to the officers for fear the company would blacklist me"—

This was in answer to a question of mine—

"I did not report it to the officers for fear the company would blacklist me."

This young man gave his name, George Voydich, but begged that, if possible, his name should not be made public, because he might sometime want to get work with the company, and he could not if they found he had told.

That story was so remarkable, gentlemen, that I made a note of it in my notebook, and I have preserved it ever since.

A few months later I met John A. Fitch, who first gained distinction for his work in the Pittsburgh survey. I had, in the meantime, gone to New York City and entered Union Seminary, or the university. When relating my experience and this remarkable story of the young Serb, he told me of his own recent visit

to investigate the iron industry in southeastern Colorado and showed me notes taken in his investigation, which were similar to the things I have heard charged.

My next opportunity to gather information with regard to the Colorado Fuel & Iron Co. and its employees began unexpectedly a year and a half ago. I had under consideration a request to superintend the Presbyterian Neighborhood House, at Gary, Ind., but was persuaded to accept, instead, charge of a church in the iron-mining village of Sunrise, Wyo. Not until after I had accepted the church did I learn that the camp was in the possession of the Colorado Fuel & Iron Co. Even then I hoped a personal touch with life in the mining camp would show things less offensive to the workers than my earlier sources of information seemed to indicate. It is my conviction—I add this for your understanding—it is my conviction that capital must be accumulated in large sums in order to carry on modern industry, nor do I bear any ill will toward those who accumulate money and use it in legitimate channels for the welfare of both themselves and their employees. This must be done until the people become intelligent enough to save the capital they need in order to carry on industry for themselves.

Arrangements for me to take charge of the Sunrise, Wyo., Presbyterian Church were made through Rev. L. Harold Forde, of Cheyenne, Wyo. He was, and is, pastor evangelist of that presbytery.

A paragraph in a letter of December 12, 1913, from Rev. Forde occasioned some surprise. It is given herewith:

"There is a fine little church—at Sunrise—costing the Colorado Fuel & Iron Co. about \$3,000, heated and lighted free for our work. But we do not tell anyone this. It must not be let out."

A little later in the same letter this quotation appears:

"The location of the house I will have to wait on until I know what to do since getting these letters. I will make a trip to Denver as soon as I know, to see the manager and John D. Rockefeller's personal representative. He is very loyal to us and always listens to me kindly. He is a strong Presbyterian and a supporter of a number of missionaries."

I replied to these quotations in my letter three or four days later, saying:

"Frankness in regard to the source of our income would be a great asset. Workingmen in most parts of the West where I have worked managed to find out where the churches get their support. If we treat it like a thing to be ashamed of, will we not give cause to suspicion our motives? Misgivings and manifestations of error are fewer, I am sure, when everything is open and aboveboard. I think you will agree that here is a question that is at least debatable.

"It is encouraging to find men who have ample means ready to promote the welfare of these foreigners. I am eager to begin and I believe God will prosper our undertaking. I feel that His hand has been manifest already in enlisting me for the Wyoming field."

On February 14, 1914, I arrived in Sunrise, Wyo., and took charge of the Presbyterian Church in that village. I found certain advantages possessed by the people who live in Sunrise. The climate is healthful; the company houses, in nearly every case, are comfortable. I will refer just a little farther on to some where objections are raised. Most of the English-speaking families live in four-room houses. Part of those who do not speak English are similarly housed, while others live in two-room company houses. A few live in small shacks which they themselves have built. These are perhaps better protected against cold than are the company houses, but otherwise they are not as good or as roomy. The average company house has four rooms about 12 by 14 feet, with a small closet 2 feet wide built in between the walls of two of the rooms. There is also a small pantry room about 4 by 6 feet built onto one end of each house. Frequently also there is a double closet. The houses are supplied with electric light in abundance and many families are allowed to use their electrical connection for a small toaster, flatiron, and so forth, paying a flat rate. Adjacent to the house a privy and a coal shed have been erected in most cases. Some of the foreign-born people, however, have not been given so many as were needed. The men in the compo-board houses object. I believe there was reference to that a little earlier. At Ironton, a little division of the camp more or less under separate management, there were compo-board houses, and, as I understand from some of the people, they created more or less bad feeling, just as I found among the foreigners, some of whom had lived in Sunrise. The superintendent said he made the men leave their log



cabins and move into the company's compo-board houses. Some of these cabins were far better for comfort than the company houses and had been neatly built. Most of them, I admit, were not very decent, but some of them were very decently built and represented an investment of two or three hundred dollars; but they all had to get out and live in the company houses, except two or three families who were so quarrelsome that they could not live in town.

Before passing this I must mention the fact that there is a difference in the repairs furnished to the people. The English-speaking people get repairs when the foreign-speaking people are, in a good many cases, refused them. One case I know of where the people had occupied the house for eight years and it was in very bad repair and scarcely fit to live in in the winter, and nothing had been done to the house, and it was not fit really for people to live in. Of course that discrimination, with all paying the same rentals, provokes friction.

The water which the company supplies is good. It is hauled 6 miles by rail from a large spring in the river and has been found quite wholesome.

I will say that the company has put in a cement tank with a pumping plant attached, and the water is emptied from the tank cars into this tank and then pumped to tanks on the hill. Since that has been done I believe there has been no case of typhoid in Sunrise that could be traced to this company water—a great improvement over the condition that prevailed before, and is a very commendable thing for the company to do.

Repairs and painting are furnished free once in every three years for all of the English-speaking people, except some of the single men, who live in company's so-called bunk houses. Among the non-English-speaking people repairs are seldom furnished free. Some houses are very much in need of renovation, and have been for years. A few houses have hydrants inside, but in most cases the water has to be carried from out of doors from a hydrant which is used by several families. However, considering the rental, which is \$10.50 per month for a house of four rooms, with electric light and water in addition, there are few who do not speak with approval of their relations with the company in regard to housing accommodations.

I will say that in the last two years or three the company has changed its rules in regard to water, and now allows the men free water to water a small garden. Before that they had to pay something extra for water to water their small gardens. By that I mean they are very small—very few of the men have a larger garden than this platform here on which we are sitting—but it means something in the way of green food and some comfort and relief from the barrenness of the hills and the yards.

Another advantage possessed by workmen of Sunrise is comparative safety when at work. Few are injured seriously. Men are not driven into dangerous places, but are allowed to use their personal discretion when the work involves peril. I think that the company should be commended for this. I have worked in places where life was not safe, because the men were urged to go into a dangerous situation and not allowed to use their judgment. Whether the company is responsible for it or the superintendent, I don't know, but I feel sure that the superintendent is heartily in accord in having the men to be sure they are safe before they work, and many think that the superintendent rather than the company should be commended for that protection. I hope they are both to be commended for it. Moreover, the speed at which they are required to work is not exhausting, and with a few exceptions, as in the case of pump men, the steam-shovel men, and the men in charge of the electric lighting system at night, men do not work for more than 10 hours regularly.

I will say, also, that the bookkeeper at the store is required frequently to work all day Sunday. He is required now, that business has fallen off so much in the last year at the company store, to act as clerk in addition to his duties of keeping the accounts, and he is compelled to work on Sunday. I know he told me the Sunday before I left that he had started to work at 7.30 in the morning and did not get through until a quarter of 9 at night. He seldom gets a Sunday off. There are a few men that do not get their Sunday rest. One is the pump man in the power house. Last summer the pump man in the power house said that he had had one Sunday or holiday in five years.

Chairman WALSH. Is he a churchman, or a man ordinarily who would go to church?

Dr. McCORKLE. Not a great deal; but whether he wanted to go to church or not, he has a right to rest. The men in the power plant and the pump man complain very bitterly of being kept there such long hours. The man that works at night in the electric lighting—he has not much to do, but he has to be

on 13 hours without change or relief, and do it regularly, and it is trying to a man. It seems to be one of the great injustices. I know this, that it has been the cause of producing a great unrest among them, and if you will look at the men and notice how weary they appear from those monotonous things you will realize that they have a just cause for complaint.

Sunday work is frequently required and it is particularly irksome to some. There was a thing that came up last Christmas time. As you know, the Greek calendar differs from ours about 13 days, and they don't celebrate Christmas at the same time, and it was a slack season and the men were only working part of the time, and yet they wanted to be off Christmas time, but they were served with notice if they did not come back to work they would be suspended for several days. They had some short-time work anyway and several went back. The thing provoked so much adverse comment that it was revoked a couple of days later and all were put back to work that had been suspended. There is not much injustice of that kind. I do not believe that the superintendent wanted to be unjust to the men at that time. I will say, however, I did not carry industrial unrest to Sunrise. I found it there, and I believe I can say in all my experience with working people I never have seen a situation where any agitator could go in in a week or two and stir up serious trouble unless the people were already galled and embittered by things that they believe to be unjust. I don't want to promote a spirit of unrest and bitterness.

Shortly after my arrival there I found that a strike had been threatened during the preceding year—the same year that the strike was called in Colorado—I believe the men told me it was the latter part of the spring of 1913. Several of the foremen called their men together, and a vote was taken, at which a majority declared themselves in favor of a strike for higher wages, shorter hours, and relief from certain treatment at the hands of the company considered by the workmen unjust. The strike was abandoned, however, on account of the unwillingness of a few men to join.

Just a mere handful, a dozen men, caused them to abandon the proposition. The vote, even if not acted upon, registered a state of mind far from restful.

Shortly after this strike vote was taken the company advanced the wages of the men, but did not grant any of the other points at issue. It is believed by the workingmen in Sunrise that the strike vote was reported to company headquarters by secretly paid agents of the company, and that it was directly the occasion of the increase in wages granted to them. Everybody in Sunrise knows there are men there reporting; they know who some of them are, but not all, and they know that it was directly the occasion of the increase in the wages granted them.

When I first arrived and took charge of Sunrise Presbyterian Church I was surprised to find that the workingmen, almost without exception, seemed to mistrust my motives and work. Repeatedly I was called a "company man." Some said: "We know, of course, you have to stand in with the company." Gradually, however, they seemed to manifest confidence and confided some of the things to me which they held as grievances against the company. That some should be dissatisfied was to be expected. I looked to find a portion of the community class conscious—

Commissioner O'CONNELL. What do you have in mind when you say class conscious?

Dr. McCORKLE. I looked to find a body of men more or less imbued with socialistic ideas, believing that the industry ought to be in the hands of the working people.

Commissioner O'CONNELL. Did you have any other thought of class consciousness?

Dr. McCORKLE. I don't believe I did. I think it is economic. I did not look in Sunrise to find much class consciousness of any other kind, except it was class consciousness of a racial order, as between Japanese and colored people and Italians and Greeks and Americans. That part of class consciousness prevails in all parts of our country to some extent. I looked here to find some feeling on the part of working people that there ought not to be anybody but workingmen. I was going to say, however, the most surprising feature of our unrest to me was its extension to every class in the community—every station of people. A few days after my arrival one of the highest salaried men in the company's employ, a college graduate and expert, together with the principal of the public school, spoke with great feeling of the lack of provisions for social and educational welfare within the camp. The people were compelled, they said, to go to the saloons of Hartville, a mile distant, for almost everything of



a social nature. A hall had been petitioned for more than a year, I believe. It was two years ago last December, I think, when they sent the petition about for the hall.

Commissioner O'CONNELL. Do you know how the saloons were managed and who ran them?

Dr. McCORKLE. The saloon at Hartville was not under the company's control.

Commissioner O'CONNELL. Are they under their control in Sunrise?

Dr. McCORKLE. There are no saloons in Sunrise.

Commissioner O'CONNELL. How far is Hartville from Sunrise?

Dr. McCORKLE. One mile. There is a hall at Sunrise about 40 feet square, and it has a good dancing floor, with a raised platform at one end, but there is no place for the lodges to meet except over the stables of the Colorado Supply Co., where they rent a loft, but the hall is scarcely fit for any sort of social activity.

Chairman WALSH. At this point we will stand adjourned until to-morrow morning at 10 o'clock.

(Thereupon, at 4.30 o'clock p. m. of this Wednesday, May 19, 1915, the commission adjourned until to-morrow, Thursday, May 20, 1915, at 10 o'clock a. m.)

WASHINGTON, D. C.,

Thursday, May 20, 1915—10 a. m.

Present: Chairman Walsh, Commissioners Harriman, O'Connell, Lennon, and Weinstock.

Chairman WALSH. Mr. McCorkle, will you please resume the stand.

#### TESTIMONY OF DR. DANIEL SPENCER McCORKLE—Continued.

Chairman WALSH. Mr. McCorkle, if you would be good enough, please resume the reading of your statement.

Dr. McCORKLE. In my testimony yesterday I had just reached the point where I was saying that the entire community, almost without exception, felt that it had grievances against the company, that the people had spoken in very strong terms of conditions there.

I will read about three sentences:

"The most surprising feature of the unrest was its extension to every class in the community. A few days after my arrival one of the highest salaried men in the company's employ, a college graduate and expert, together with the principal of the public school, spoke with great feeling of the lack of provisions for social and educational welfare within the camp. The people were compelled, they said, to go to the saloons of Hartville, a mile distant, for almost everything of a social nature. A hall had been petitioned for more than a year"—a new hall. They have only one small plain room, practically a dancing room, that is all there is now.

A hall had been petitioned for more than a year, I believe, but no word had come to show that the petition ever went further than the hands of the company's local superintendent. There was a plain dance hall, about 40 feet square, with a small raised platform built on one side, suitable for almost nothing save dances, and several citizens stated that was the sole provision the company had made for the social life of the people. Years before there had been a reading room with newspapers and magazines, but it has been abandoned. The fraternal, the various fraternal organizations—the Odd Fellows, Woodmen of the World, the Rebeccas, the Royal Neighbors, and the like—were compelled to rent a loft over a stable and the company's store.

Even the public schools had received little attention. They were poorly lighted, so poorly lighted indeed that reading was impossible shortly after 3 o'clock in the afternoon on cloudy days in the winter. The people wanted a school building, just as they wanted a hall, but the company would not give them.

This condition caused the college man to exclaim, "The superintendent is against everything that is for the good of humanity."

The school principal, however, felt that the failure to provide for the welfare of the people rested with officials higher up rather than with the local superintendent, and later information seems to show that that is true. I have found that consideration of the erection of a hall was going on before the higher officials. It is my personal opinion that the superintendent does all for the people that higher officials allow.

In most of the communities failure to provide public buildings might be charged to lack of public spirit on the part of the people themselves, but in Sunrise, Wyo., all of the land is owned by the Colorado Fuel & Iron Co. This company will not sell or rent land to anyone for any public building for public use. The Sunrise church is no exception, as I shall indicate later.

The grievances found by these men, whose education fitted them to speak without prejudice, were repeated by almost everyone living in Sunrise, and other and more serious charges were made.

When I suggested steps to set anything right, however, I met constantly the statement that nobody could remain in the camp who voiced any open criticism of the company. Friends warned me personally that I would be summarily removed unless I was very careful to say nothing that would reflect upon the company or the management of its affairs in Sunrise. The school election on the first Monday in May—the annual school election—was close at hand. I urged qualified voters to be present and work for improvement, but everywhere the appeal was turned down with the statement that I did not understand how such things were controlled at Sunrise.

Some of the better educated young English-speaking workingmen, men of families, told me plainly that they would be discharged if they went to the school meeting and had any improvements that the company was not willing to allow. I will say here that the superintendent is always one of the three members of the school board. Perhaps the condition was not so bad as they believed. I doubted personally whether they would have been discharged for such manifestation of interest in the school their children were attending, but the fact remains they believed this action would be taken against them, and believed it so strongly that very few attended the school meeting.

In this respect it was not very unlike other years, since at almost every election the superintendent has to send out after enough voters to make a quorum. The same lack of quorum existed on May 3, 1915. Several of the women planned to attend this school meeting, but a report was spread on the day that the meeting was to be held that there was to be no meeting, that the company was going to appoint the director, and there would be no use to go down to the hall, and as a result very few went, and the superintendent had to send out to get enough to make a quorum.

In connection with the school election discussion the allegation was made that one Greek who had taken out full naturalization papers was refused a vote in the general election because his political party was disapproved. He was a Democrat, they told me. Some of the Greek men claimed to have known this to be true, and after the experience he was so disgusted he returned to Greece and renounced his citizenship in this country. This one instance is all I have heard of where there has been any interference except with school elections.

Another grievance that was weighing upon Sunrise people was the interference of the company in church affairs. Not interference through Rev. Gaddis. He had the respect, the confidence, and perfect fellowship of the people of all denominations at Sunrise; he was never sectarian; no one in Sunrise ever brought that charge against him.

The officers of the church particularly thought they had a right to be consulted or advised with at least. "Our official title is a farce," one of the board of trustees remarked to me. "The company really keeps everything in its own hands. We trustees are figureheads, and can do nothing."

I began to understand why people at first shunned me for a "company man." I recalled how the Rev. L. Harold Forde cautioned me against speaking of the fact that the company had furnished the \$3,000 which went into the building originally and to the fact that the fuel and lights were furnished regularly. The people at Sunrise knew that the Colorado Fuel & Iron Co. had done this despite Mr. Forde's secretive action. They knew even more than Mr. Forde had disclosed to me. The company, they said, had not made a gift of the church building, but held a contract wherein the people had agreed to pay a yearly charge of \$180, or 6 per cent upon the cost of the erection. Several other clauses prohibitive of freedom of action on the part of the church officers were contained in the contract, but the interest clauses particularly were vital. A small, struggling congregation made up, as it was, of working people almost entirely, it had scarcely been able to pay its ministers; and the interest charge of \$180 per year had been left unpaid. There was a clause in the contract which said that if the people failed to live up to any part of their agreement the Colorado Fuel & Iron Co. was to be at liberty to take the building over and transfer it to any other denomination that the company wished.



At about the same time that this revelation came to me from the members of my own Presbyterian Church I took occasion to call upon the Catholic priest who makes a Sabbath visit once a month to his congregation in Sunrise. Since he had only the poorly equipped Sunrise hall for his service I extended an invitation to use our church building at any time when it would not interfere with our own work. His reply was prompt and decisive. Thanking me for the courtesy, he refused. "This company," he said, "offered us a building on the same terms that you got yours. But we will not accept a church building upon such terms."

The month of April, 1914, had scarcely begun when I began to receive friendly warnings that I was too active and in danger of being removed by the company. My interest in the school election for the sake of better facilities and the revelation that my people felt it unsafe to vote or agitate for improvements came in this month. And then, suddenly, reports poured in of the unexpected massacre of women and children at Ludlow, Colo. The sympathy of the people of Sunrise, with few exceptions, was with the striking miners of Colorado. They themselves had come so near a strike. They felt that the union miners of Colorado were fighting for better conditions in the mine at Sunrise as well as in Colorado's coal fields. Some had friends and relatives among the Colorado strikers.

Had Ludlow been all, the tension would have been hard enough for the people of Sunrise to bear. To make matters worse there was a persistent rumor that the Colorado Fuel & Iron Co. was planning to send its hireling detectives, so called, to Sunrise armed and in sufficient numbers to overawe the people and "preserve order."

The people of Sunrise are habitually peaceable. They are accustomed to work daily for a livelihood. They respect property rights much more than in an average community which is in touch with a drifting, idle class. My own home stands open or unlocked day and night, without molestation. Yet these people had to endure the fear of an invasion by a private army recruited from among ex-convicts, marauders, and murderers schooled by their crimes in the Mexican revolution, and all other sources of moral derelicts. And if this private army came, it would come as it had come to southeastern Colorado, with its hands filled with the deadliest of weapons furnished by the Colorado Fuel & Iron Co. To make trouble would be its business, since violence would mean a longer job and more pay. Those who think honest workmen should submit quietly to such intimidation ought to be where it would be real for themselves and families. I am glad to say that Sunrise was not quiet.

I took advantage of the situation in private and semipublic conversation and in a public sermon to discuss our Government in its relation to conditions like those prevailing at Sunrise.

In reference to the school election and the discharge of those who might vote for improvements which the company did not approve I said that no such intimidation was permissible. That the war of the American Revolution had been fought to establish the right of a community's affairs to be managed by the people residing within the community rather than by absentee owners.

Respecting the Ludlow massacre and the threat or rumor of armed company detectives at Sunrise, I urged peace and the sort of action necessary to secure peace. I mentioned the horrors of war, its wasteful destruction of property, the poverty and ignorance which follow it, the injustice it leads to for both rich and poor, the destruction it threatens for men of wealth indiscriminately without regard for those who are in fact useful producers and friends of the workmen, and, finally, the certainty that the workmen will lose by a war, whether the struggle ends for or against them. Peaceable progress is more rapid and thorough than progress through war.

I recounted the peril to our Nation from war, and our patriotic duty to maintain peace.

I then referred to the hiring of private armies of so-called detectives by corporations for use in labor disputes. I pointed out how men with records of violence, the convicts of our penitentiaries, the marauders of the Mexican revolution, all sorts of moral degenerates produced by the injustice of our modern social and industrial wrongs, are hired by these corporations. I mentioned the deadly weapons put into the hands of such men, who are then sent into communities where peaceable working people are seeking justice, better homes and schools for their children, and respectful consideration at the hands of their employers.

Corporations who hire such men, arm them, and send them into communities of peaceful, law-abiding people are, I say, guilty of levying war. It is an act of treason that threatens the very existence of our Nation. It will, if continued, plunge our entire country into war.

Our place, I said, is to work for peace, and seek laws that will prevent any corporation or body of men from hiring a private army and threatening our Nation's future. Let us be found always on the side of peace.

But it is our duty, I said, to mark well every man who has a part in the hiring of such a private army. We shall do all that lies in our power for peace, but if war is forced upon us every man who has helped to hire such an army, to bring it into a peaceful community, or to maintain it after brought in, must be executed for treason. It is time for us to know who these men are. And the war they create, if they succeed in creating it, must arouse working people to the necessity of executing every man guilty of such treason as quickly as they are apprehended and are found guilty. Protection against men who are willing to plunge our Nation into war can be secured, once a state of war is created, only by execution of the men responsible.

Let us remember, however, I said, not to turn upon every employer, not to attack every man of wealth, even in warfare that has been forced upon us by some men of wealth. A fair trial must be given every person accused. Only those who have violated our laws by treason should suffer. Nor do we want even these men to suffer. If we can maintain peace, restrain their violence without war, and teach their children better things, their children may turn the talents their fathers are abusing to the service rather than the injury of humanity.

If Mr. Rockefeller, Mr. Welborn, or any other official of the C. F. & I. Co., high or low, is guilty of levying war and their acts end in war, they must die for their treason. But let us hate no one merely because he is rich. And let us condemn no one without a fair trial.

The outline I have just given is, I believe, a fair résumé of my remarks and sermon. In all that I have said there was nothing of any revenge. Were Mr. Rockefeller in the miserable position that many of the employees of the Colorado Fuel & Iron have been, I would try to save him from it as quickly as to save them. But Mr. Rockefeller is not in that position. Mr. Rockefeller and his associates are not in that position. They enjoy every comfort that money can provide.

They enjoy the fuller knowledge of human life and public affairs which education alone can bring. They enjoy a liberal culture. And yet, knowing as they do the great advantages of peace, they have allowed somebody among the higher officials of the Colorado Fuel & Iron Co. to employ a private army, arm it with the machine guns and high-power weapons, and sent it into the communities of their employees, where labor disputes have arisen. In so doing private ends have been put above the peace and security of our Nation. Some day, if they and other employers persist in using such private armies, the peace and security of the Nation is certain to be overthrown. And in that time, which we pray and work to prevent from ever coming, there will be but one way open to restore peace. The Nation will demand the lives of the men who now regard their treasonable armies of private hirelings so lightly, and it will take them not in revenge, but for the sake of safety and peace.

It would be better by far that some property should be destroyed by violent strikers until an aroused public sentiment intervenes to stop them with the lawful forces of the State. Without the armed detectives in the private employ of the coal companies to provoke to violence, I venture the assertion that the destruction of property in southern Colorado during the recent strike would have been ten times less.

I am reasonably sure—I say this, gentlemen, from my knowledge of the conditions at Sunrise, Wyo.—I am reasonably sure that such a private army sent into Sunrise, even without the calling of a strike, would have resulted in bloodshed and the destruction of property to an appalling extent. And the men who sent it would be guilty above all others. But such private armies, of course, were never intended to protect property. They are sent merely to intimidate workmen in order to get them to accept unfair, unjust terms in labor disputes. Safety for property is the last thing thought of. We are in the midst of great adjustments. We can pass through them peaceably only through justice and kindness. Employers who hire private armies of thugs are seeking to prevent justice by the harshest sort of crime. I take the position of the president



of Johns Hopkins University, mentioned here yesterday, in so far as to demand peace as the first requisite, but my remarks were and are against the primary violator of peace in the person of the men that employ the private armies and equip them.

Commissioner WEINSTOCK. Please read that again.

Dr. McCORKLE. I take the position of the president of Johns Hopkins University, mentioned here yesterday—

Commissioner WEINSTOCK. You take the position?

Dr. McCORKLE. Yes, sir; I think my position is identical. I am in so far as to demand peace as the first requisite, but my remarks are against the primary violators of peace in the person of men who employ a private army, and equip it for acts of deadliest violence.

So much for my violent remarks, as Mr. Welborn has called them in his letter. Please observe that I made them deliberately and directed them against an act of treason that threatens, above all other dangers, the life of our Nation and the safety of its people.

Perhaps there is a trifling advantage for the large corporation which refuses to treat with its employees, hiring a private army to intimidate them instead. Perhaps there is a small advantage in the immediate present—I doubt it, but perhaps there is. But the future holds a day when that intimidation will not work. It will be better for the Nation, better for both rich and poor, if the employment of the private army is ended quickly and forever.

Following my sermon, there came vigorous efforts on the part of the Colorado Fuel & Iron Co. to remove me. Rev. Forde wrote a thousand-word letter, which began thus:

"My Dear McCorkle"—this is dated May 2—"I have the following statement sent to me"—

Chairman WALSH. May 2; what year?

Dr. McCORKLE. May 2, 1914; a year ago the 2d of May.

"I have the following statement sent me: 'Rev. Mr. McCorkle is sure a hot Socialist—he missed his calling; he ought to be a labor leader.'"

Commissioner WEINSTOCK. Who wrote that?

Dr. McCORKLE. Mr. Forde.

Chairman WALSH. Who is Mr. Forde?

Dr. McCORKLE. Pastor evangelist of the presbytery. He has no authority over the church, but he has authority to visit us and has tried to exercise other authority.

Commissioner WEINSTOCK. This was an anonymous letter sent to Mr. Forde?

Dr. McCORKLE. It was signed, but he did not disclose the name of the person that signed it.

"After our frank conversation and correspondence on this subject, I hardly can believe that you are talking, much less preaching socialism. You remember my position was, we have no right to dictate to you your personal beliefs. But we do have the right to say that you or any other minister working with us shall not preach or propagate socialist doctrines or teachings. We maintain that ground. If you are even talking socialism, while drawing money from the board of home mission, you are not fair nor dealing honestly with the board—for it employs men to preach the Gospel and nothing else. We sent you to Sunrise to preach the Gospel and not socialism."

I can read the entire letter—

Chairman WALSH. What is the substance of it?

Dr. McCORKLE. You have heard the substance of it; it goes on in a continued attack on socialism, and repeats again the statement that I am not allowed—

Chairman WALSH. Had you said anything except what you have read us, the substance of it, from that sermon?

Dr. McCORKLE. No, sir; the men did not know that I was a Socialist. I took this letter, when I got it, and went to all of the officers of the church and to some of the most regular attendants besides, and told them plainly that I was a Socialist, and asked them if I had ever touched on any such thing, and they said no; they had never heard me mention it in the pulpit. I did mention it in private conversation with two or three of the congregation, but it was the sermon that I preached that was considered socialism.

Chairman WALSH. Mr. O'Connell would like to look at that letter.

Dr. McCORKLE. I have some more quotations from it.

And Rev. Forde's letter was approved; it was marked approved on the letter by the chairman of the board of home mission, and two of the members resi-

dent in Cheyenne. Before I had time to answer it another matter came up. A young Italian workman had been struck on the head by a falling fragment of iron ore while working near the hoist at the mine shaft. I visited him, found that he was not receiving careful nursing, and suggested a trained nurse. The next day five of the Italian men came to my home and asked me to telephone and secure a trained nurse for him. I did so, with money furnished by them. The nurse came, cared for him, and was paid in full.

The company physician, as soon as he heard that the nurse had been called, telegraphed Rev. Forde to come to Sunrise immediately. He came, called at my home, and invited me to come with him to the doctor's office. A somewhat spirited controversy ensued, polite but definite.

The doctor asserted that the Italians had no right to employ a nurse without his permission, ordered me to stay away from all of his patients unless I first got permission from him to visit them, and told me that "the company wants you in Sunrise to help keep the Greek and Italian people down, not to stir them up. If you do not help the company keep them down," he added, "it does not want you here at all."

I replied that I deemed it my duty to visit any who were sick, and that, looking at the matter as I did, I would continue to do so. Also, that I regarded my place in the community as a friend and helper for all, and would not undertake to keep anybody down.

After a few minutes' conversation the feeling of tension which characterized our meeting at first disappeared, and we parted pleasantly enough. Rev. Forde, though, took occasion to speak with me again before leaving Sunrise and gave strict orders that I should not involve the company to the slightest degree in criticism that I might make of things I believed wrong. He also repeated the doctor's demand that I should help the company keep the Greeks and Italians down. We came to no agreement as to the manner of carrying on the work. I specified the raffle run in the company's store as a form of gambling.

Chairman WALSH. Of what?

Dr. McCORKLE. The raffles; the raffle bills were charged against the men's pay checks.

Chairman WALSH. I don't understand that.

Dr. McCORKLE. The men who were engaged in these raffles, as an accountant of the company store said to me the other day, when I was asking about it—they can spend 20 cents and perhaps win \$20 worth of stuff.

Chairman WALSH. Who put up the prizes?

Dr. McCORKLE. The company store put up the prizes.

Chairman WALSH. And it was left to chance or gambling?

Dr. McCORKLE. It was a chance game. You could spend 20 cents and win \$20, or spend \$20 and not get anything.

Chairman WALSH. What kind of a game was it; was it roulette or some kind of machinery?

Dr. McCORKLE. A kind of a card game; I have seen it, but never studied it out.

Chairman WALSH. Was it of common practice?

Dr. McCORKLE. Oh, yes; it must have added very considerable revenue to the store. I will say in this connection that when one of the widows of Sunrise heard Rev. Gaddis had been removed, she said he was the only friend that the people of Sunrise ever had, and she was afraid that it would be a long time before they would get another. She said that raffling game had cost her boys some money; they had spent \$7 on that raffle. And I knew that she needed all that they earned. There were three boys.

Chairman WALSH. Are there gambling laws in Montana that make it a felony or misdemeanor?

Dr. McCORKLE. There are no gambling laws, it seems, at all. We have brought it up a number of times, and nothing has ever been done.

Chairman WALSH. Go ahead.

Dr. McCORKLE. This game is an evasion of the gambling laws.

I specified the raffle run in the company's store as a form of gambling where I would have to involve the company in criticism until it was removed, and Rev. Forde declared that such criticism must not under any consideration be made. Rev. Forde urged me to give him the names of the men who had complained to me against the company. He said he would have them discharged; I refused.

Chairman WALSH. That is, the men who complained about the gambling?



Dr. McCORKLE. Yes; who complained about the gambling and about other matters. I mentioned many other grievances that they had complained of, and he tried to get me to give him their names, and he said he would see that they were discharged at once.

Returning home, Rev. Forde sent a letter couched in friendly terms, expressing a hope for my success on the Sunrise field and advising me with many platitudes to be more quiet. I replied May 11 as follows:

"SUNRISE, WYO., May 11, 1914.

"Rev. L. HAROLD FORDE,

"2022 Pebrican Street, Cheyenne, Wyo.

"DEAR BROTHER FORDE: Many thanks for your favor of May 7, received Saturday. I am sorry that you have been so much worried about the situation here. However, if the misrepresentations of the letter you received were all of a kind with the sentence quoted to me, I suppose you could not do otherwise than wonder what would happen next.

"It has been my endeavor at all times to speak in a kindly manner. I realize that time is required for a man to see that he is in the wrong, especially if he be an ignorant man. But I do think that the men at the head of such companies, with their education and profession of Christianity, should do a little more to cultivate the self-respect and good will of the men working under them. Ministers are peacemakers when they lead their people to be just and kind.

"An important article on the Colorado situation appears in the Survey of May 2, 1914, pages 108-110. The terrible murder of those women and children at Ludlow is one of the worst crimes ever committed in our country, and the fact that it was threatened by militiamen in the pay of the coal companies before it occurred tends to the conviction that it was deliberate. I have never heard of anything quite so bad in the East. While a discussion of the thing is hardly profitable, you will further peace by using your influence to prevent a repetition of the crime.

"For my own part, I shall try to refrain from saying harsh things. Yet I know that if such things as that massacre are repeated our country will soon be plunged into war. It was such a conviction that led me to make the remarks that perhaps were misinterpreted."

On the same day, May 11, 1914, and before receiving my letter, Rev. Forde wrote to a minister in the State of New York as follows:

"DEAR MR. WICKS: Mr. Ralph A. Felton writes me that you are not employed, but would consider work in home-mission fields. We are making a change in a field that Mr. Felton writes you about—the only thing that he is mistaken about in that statement about Sunrise is that there is no manse. All property is owned by the Colorado Fuel & Iron Co.—the Rockefeller company that is so criticized and abused by the I Won't Work people and Upton Sinclair. The man"—

That is referring to me, the minister at Sunrise—

"can not remain much longer; he is simply tolerated just a little bit to give me time to secure a man for his place and to try and tone him down. He is ultraradical in socialism; unsound in other matters, too. I would like to replace him as soon as possible, for we can not permit him to remain where he is.

"Kindly let me hear from you.

"Sincerely,

"L. HAROLD FORDE."

This letter indicates that it was written in following-up correspondence, looking to his plan to put me out of the Sunrise church. Afterwards, through Rev. E. S. Gaddis, sociological superintendent of the company, I learned that the company brought pressure to bear upon Mr. Forde to have me removed. The letter of Mr. Forde just given had its source in this action by the company.

It happened that the minister who received Mr. Forde's proposal for removing me communicated with me directly. In their correspondence Mr. Forde had asked him to come to Sunrise and take charge of the church.

I took his communication at once and laid it before the officers of Sunrise church. They had heard nothing whatever of the proposal to remove me and put some other person in my place. Under Presbyterian law a minister can be removed from his field only through action by the church council, called the presbytery, and presbytery always take the local congregation and its officers

into consideration. The effort to remove me secretly, therefore, provoked strong disapproval among Sunrise people. They saw in it, without the verification secured later, the work of the Colorado Fuel & Iron Co. Assurance began to come in that I would not lack for support financially if I would remain. Even the Italians, though Catholic, assured me that they themselves would support me if no one else would. I considered the matter carefully, and finally, believing that God, if He had a work for me to do at Sunrise, could be depended upon to open up the way for me to remain, I wrote Rev. Forde of my definite intention to remain in charge at Sunrise.

The letter was as follows:

"SUNRISE, WYO., June 3, 1914.

"Rev. HAROLD FORDE,

"2022 Pebrican Street, Cheyenne, Wyo.

"DEAR BROTHER FORDE: A prayerful study of the situation convinces me that I ought to remain in charge of our Presbyterian Church here at Sunrise, Wyo. My personal feelings in the matter I have put to one side. But it seems to be the desire of the people of our church that I do so, and God seems to lead so plainly that I would not think of contending against the appeal.

"The future promises some good things. There are probably many ways in which the work can be built up during the coming year. My wife and I are getting very encouraging results already.

"We shall feel a great interest in the new work you are opening in Hanna and hope the man with whom you have been corresponding may decide to develop it.

"Felton has not written me for several days. I should like to send you some report concerning his plans, but think it better to communicate at once our decision to remain here. When I do hear from him I will write you again. I hope his coming may prove a great help."

I heard nothing further, except this—no; I have not got the letter here, but Rev. Gaddis stopped at Cheyenne and visited—here is the reference; Rev. Gaddis, sociological superintendent of the company, had visited Sunrise meantime, on May 31, 1914. He inquired and found that the complaints of the people to which I was giving voice had a basis in fact and undertook to have the wrongs abated. Unknown to me he returned by way Cheyenne, visited Rev. Forde, and told him that I ought to remain at Sunrise. I had the letter from Mr. Forde, but I have not brought it with me.

Chairman WALSH. Just give the substance of the letter.

Dr. McCORKLE. The substance of the letter was this: That Mr. Gaddis had requested that I be allowed to remain at Sunrise; and they had a meeting of the home mission committee and were going to let me stay there for a while at least, but they would not tolerate any interference from Mr. Gaddis on the subject; they said that should be fairly understood, that it was their concession, and that it was not the work of Mr. Gaddis; that Gaddis had no authority in the matter.

I heard nothing further of interference in church matters from the Colorado Fuel & Iron Co. for some time. In October, after attending the church council known as Synod, in Port Morgan, Colo. I made a short visit to Denver. Rev. H. W. Bainton, Sunday school missionary of our presbytery, entertained me at his home there, and suggested giving me an introduction to Mr. L. M. Bowers, Mr. Rockefeller's personal representative, and I consented, hoping something might come of it for the good of the Sunrise people. I spent some 30 minutes with Mr. Bowers. I noticed at the time, so I know definitely that it was 30 minutes. Save for a few sentences that I forced in, he took the whole 30 minutes for a monologue of denunciation of all kinds of social service.

Chairman WALSH. Who did?

Dr. McCORKLE. Mr. Bowers. To quote a sentence which he repeated four or five times, "All this uplift and reform work is satanic." He denounced the Methodist Church for its social-service activities, and said that such work as its social service secretary was doing was "The work of the devil."

All the churches, he said, were dabbling the socialistic devices of satan. He had not given anything to the Salvation Army for several years, because it was going in too much for social uplift and reform; whereas, formerly, he had frequently dropped them a \$2 bill when passing. The work of Charles Stelzle, of the Presbyterian Church, he denounced as satanic and socialistic.

When the interview was ended, he had not given one word for the welfare of Sunrise people. It was evident that he did not want to consider anything re-



lating to their comfort, much less to hear any complaint they might desire to express. I felt that the man was to be pitied.

I will say here that Mr. Bowers, like the rest of us, had his nerve wrought upon when the great struggle was going on, and he felt like expressing himself vigorously; I think he is about as vigorous as Mother Jones, and his language was as vigorous; and if I did not express myself as vigorously, I felt like it. But for one with his views of church work to endeavor to dictate to and control all of the ministers in camps of the Colorado Fuel & Iron Co. seemed to me to threaten the very thing for which Jesus died. Trying to get a roof over the home of that poor woman whom you heard mentioned in the testimony yesterday, that the doctor had to move to another home to keep dry during confinement, is social service work; under Mr. Bowers's definition, an effort in her behalf is "satanic."

Such dictation explains the dying out of the churches that heretofore have existed in the coal camps of Colorado, as complained of by many denominations. Through my interview with Mr. Bowers, I had learned why the miners shunned a minister whom they took to be a company man.

In January, 1915, another case of company interference in church matters arose. The rector of the Episcopalian Church at Hartville requested the privilege of using the Sunrise church for services for his people, residents in Sunrise. I presented his request to the officers of the Sunrise church, and they and I alike were disposed to grant it. But the question of a forbidding clause in the contract with the company for the church building arose. We referred the matter to Rev. Gaddis by letter, as follows:

"SUNRISE, WYO., January 2, 1915.

"Rev. E. S. GADDIS,

"Trinidad, Colo.

"DEAR BROTHER: \* \* \* Rev. Frank Chipp, the Episcopalian minister who supplies Hartville church, wrote us a letter some time ago and asked to be permitted to use the church building here on Sundays at some hour that would not interfere with our services. I took the matter up with our session, who seemed disposed to grant the request. But the point was raised that the company, in its contract, forbade the use of the church to any other denomination. And that halted the matter. I could scarcely believe that any such stipulation was in the contract, and must ask you.

"However, the immediate question is no longer a pressing one. Rev. Chipp came to see me about the matter, and after we had talked it over, he prepared a petition to you, in which the Episcopalians of Sunrise would make a request for permission to so use the church. Then, when he took the matter up with them, they decided that it would be better to help him build up the Hartville charge. I am glad they so decided, for Hartville certainly needs such work.

"But I think we ought to allow them an occasional service here, on special occasions, at least. For instance, Bishop Thomas is to be in Hartville to-morrow morning; if he came to Sunrise for a service to-morrow afternoon, I am sure we would enjoy it.

"Will you please tell us whether the company has any restrictions against such fraternal relations?

\* \* \* \* \*

"DANIEL S. McCORKLE."

Rev. Gaddis replied:

"I have written Mr. Bowers about other denominations using the Sunrise church. I am not prepared to answer your question.

"Personally, I certainly favor opening the church to any one of the Christian denominations, if such service would not interfere with your work."

Mr. Bowers, however, in his reply, denied the use of the building to Episcopalians. His reply is not fair, in that he seeks to lay part of the responsibility for the refusal upon the officers of Sunrise church, as if they had anticipated his refusal by themselves objecting, whereas the inquiry plainly states that they are favorably inclined to granting it.

I got this letter with Mr. Bowers's signature to it, or a copy of it. I got the letter and then made the copy myself and turned the letter over to the superintendent at Sunrise.

"JANUARY 9, 1915.

"DEAR MR. GADDIS: Your favor of the 8th is at hand. In regard to other than the Presbyterian denomination using the church at Sunrise, allow me to

say that before the church was built the Methodists had an organization and occupied the hall on Sundays. They failed completely at Sunrise and gave it up, although I undertook to arrange with them to hold the location.

"The Presbyterians applied for the privilege of reopening the services and starting a Sunday school in the hall, which was granted, and they made a success of the enterprise to the extent that we built the church for them, which is a Presbyterian Church, and one-half of the pastor's salary has been paid by the board in New York City, with the understanding that we should not build or permit to be built another church at Sunrise unless the town became very much larger and two denominations were needed."

The board in New York City there referred to was called the home mission board of the Presbyterian Church and not the company.

"I believe the elders are right in their refusal to allow any other denomination to occupy the church as long as the home mission board in New York is backing the undertaking.

"You see, it is different than if the church was self-supporting, in which case it would be a matter for the church officials to pass upon.

"The hall, which used to be used for church services, and is now, I think, used by the Catholics, could be secured, I presume, by any other denomination wishing to hold services there, but I would not be inclined to encourage such a move.

\* \* \* \* \*

"Yours, very truly,

"L. M. BOWERS."

My experience during the 15 months that I have been in charge of Sunrise church has convinced me that the Colorado Fuel & Iron Co. endeavors to control the minister and his church absolutely—

Commissioner O'CONNELL (interrupting). Before you go any further are you still at Sunrise?

Dr. McCORKLE. Yes; I am still at Sunrise. I explain that later on.

That by so doing it expects to cut out all opportunity for criticism of its relations with its employees and prevent everything in the way of welfare work. Why they do this is perhaps because of the fact the minister in the community, just as I am at Sunrise, alone of all the people who live in one of those closed camps, gets his salary independently of the company's will. They have not been able to keep the Sunrise people from giving me enough to live on.

At Sunrise the result of the company's policy has been to fuse together all religious denominations in a common resistance to its aggression. In fact, not only did the congregation at its annual meeting in January, 1915, call me to serve another year by a vote of 41 to 4, but the men of the various denominations laid down all differences in order to support me on the field. In the list of monthly subscribers to my salary for the present year, besides the churches, whose members may usually be found represented on such a list, the Catholic, Greek Catholic, Mormon, and Christian Science Churches are represented. It simply means that the whole community are standing together to hold me, irrespective of religious denominations.

As if, however, the Colorado Fuel & Iron Co. will never learn to abandon its feudal efforts to control the churches situated in its camps, I find the following sentence in a letter from my wife, written May 13, just about a week ago:

"Mr. Bainton"—

Mr. Bainton is the Sunday school missionary who introduced me to Mr. Bowers at Denver—

"Mr. Bainton made me very angry by warning you, through me, to be careful of what you say for fear that further criticism of the company might cost you your position."

I do not know, gentlemen, where the money is to come from, but I am not much afraid of not being able to stay; and if I do not, I will go somewhere else and take the work up in behalf of the people. But that is the warning that has come to me through my wife from a man in touch with the company.

Commissioner WEINSTOCK. Read that again.

Dr. McCORKLE. This is in a letter from my wife, written May 13:

"Mr. Bainton made me very angry by warning you, through me, to be careful of what you say for fear that further criticism of the company might cost you your position."

The next grievance I take up with some reluctance, lest it appear that I am seeking personal revenge, for it is true, as already mentioned in this report,



that a sharp controversy arose very early between me and the company physician when he demanded that I should help the company keep the Greeks and Italians down. Many of the wrongs which the Sunrise people allege they have suffered at his hands were given in a letter written by my wife eight months ago and passed by mutual friends to Mr. Starr J. Murphy. In so far as I know, he is not continuing the offenses which provoked the complaints, and I have no desire to pursue him vindictively.

But the fundamental source of almost the entire matter remains unremedied; that is, the company is allowing him still to go to the pay checks of the men and take out whatever fees he wishes to collect without the consent of the men themselves.

Commissioner WEINSTOCK. Allows who?

Dr. McCORKLE. The company's physician.

Commissioner WEINSTOCK. Is there not a stipulated monthly payment?

Dr. McCORKLE. Yes; a stipulated monthly payment of \$1 taken out of every man's pay check, and then fees in addition. This \$1, as I will show later, is said to be for hospital.

Commissioner WEINSTOCK. Doesn't that \$1 cover all of his medical expense?

Dr. McCORKLE. No; in case of confinement the charge is \$25, and if instruments are used it is \$50.

Chairman WALSH. That much in confinement cases?

Dr. McCORKLE. Yes. I will mention some of the cases here; \$25 is for the simplest case.

Chairman WALSH. Don't the men have a right to refuse to pay it?

Dr. McCORKLE. They do not have any choice; it is taken out, and if they ask about it, they say, "The doctor has taken it out."

Chairman WALSH. Is there a protest against that generally on the part of the men?

Dr. McCORKLE. Yes; a very strong protest.

Chairman WALSH. Go ahead.

Dr. McCORKLE. Some of these men that were protesting, the Rev. Forde wanted to get their names so as to have them discharged. I don't know that the doctor is continuing some of the worst offenses charged against him, but I know he continues to take the money he wants out of the pay checks of the men. By the way, I will say that the Rev. Gaddis told me that that was made through orders coming directly from Dr. Corwin. Dr. Corwin gave orders to the local superintendent to let the doctor take his money out of the men's pay checks.

Commissioner WEINSTOCK. A question at this point. A workman's wife is confined and instruments had to be used.

Dr. McCORKLE. Yes, sir.

Commissioner WEINSTOCK. You say the fee is \$50?

Dr. McCORKLE. Yes, sir.

Commissioner WEINSTOCK. And is that \$50 taken in a lump sum out of the pay check?

Dr. McCORKLE. If the pay check was not big enough to get it, he would wait.

Commissioner WEINSTOCK. But if it is big enough?

Dr. McCORKLE. He takes it out. He will leave a family with practically nothing to live on. I mention instances of that later on.

The fundamental source of almost the entire matter remains unremedied; that is, the company is allowing him still to go to the pay checks of the men and take out whatever fee he wishes to collect without the consent of the men themselves. In a case of a disagreement there is no opportunity to test the merits of the case in court. Dr. Gaddis informs me that this permission is granted through the instrumentality of Dr. Corwin. Originate as it may, it means a temptation that few men can resist year after year successfully. In my opinion, the company, when it allows any man to take what he pleases out of the pay checks of its employees without their consent, is tempting such man to be dishonest and extort what is not his due. Offenses charged against him are, therefore, recounted. They will give the members of your commission an insight into much dissatisfaction with the company physician—

Commissioner LENNON. You use the word there "against" the doctor?

Dr. McCORKLE. Offenses charged against the doctor, offenses which he is alleged to have been guilty of.

They will give the members of your commission an insight into much dissatisfaction with the company physicians in all cases where such a practice prevails. Perhaps they may lead the company to rectify the evils at their

source. If the company officials and Mr. Rockefeller really want to deal justly with their employees, they will require their company physicians to quit taking what they please out of the employees' pay checks. Company physicians will have to collect their fees like any other physician in free communities.

The company physician at Sunrise, Wyo., Dr. W. C. Foster, is the object of much bitter feeling among the workmen who live there. Personally I have no grievance against the man. He attended my wife during a serious illness last March and rendered good service. Also he absolutely refused to accept his professional fee for the care given. It must be placed to the man's credit that he sought no revenge in my case when, in the absence of any other physician, it became necessary to call him. For the complaints against him had already been given publicity both by myself and wife.

Independently of personal relations, however, I am compelled to mention his relation to the people of Sunrise. Nothing equals it as a source of unrest, fear, and indignation. Serious labor troubles might occur in Sunrise at any time if offenses he is alleged to have committed are ever repeated. He is the only representative of the Colorado Fuel & Iron in so far as I know against whom the people of Sunrise have ever threatened personal violence. I have never heard personal violence threatened against any other man.

Commissioner WEINSTOCK. Why do they do so in his case?

Dr. McCORKLE. Through fear of harm at his hands. In fact, at the time of my wife's illness there were men that feared he would injure her, and I learned after she had recovered that a number of men had agreed together to remove him from the community by force if he harmed her. I didn't know any such thing until later, but I learned that the men had agreed among themselves if any harm came to her that they would see that the doctor went out of the community. I will say that it is a terrible situation, because a doctor might sometimes be—the doctor might have treated her as well as he could and the men might have thought he had injured her, when it was something entirely beyond his power, and he might have become a victim of personal retaliation, but they would not have done it if they had not feared him.

Commissioner O'CONNELL. Would they give him the credit of making mistakes occasionally?

Dr. McCORKLE. They are afraid he makes them purposely. There are these men that have taken graft from the people there. There are some that are afraid of the foreigners, and I know why they are afraid—because they have made these foreigners pay them for jobs and gave them graft.

Chairman WALSH. What class are they?

Dr. McCORKLE. Some are foremen.

Chairman WALSH. Are they still there?

Dr. McCORKLE. Yes, sir; but have quit that practice. I have never heard threats or suggestions of violence against men that are grafting. That is what makes me think, then, in the case of the doctor, it is not the graft that he is alleged to have taken, but the fear that he will do them a personal injury.

Commissioner WEINSTOCK. What has he done to make them fear him?

Dr. McCORKLE. I will read it here.

Commissioner O'CONNELL. Please read it through without comment.

Dr. McCORKLE. About three years ago some of the Italian employees of the company at Sunrise started a petition for his removal, but the petition won them nothing save his ill will. Ever since that time they say he has been vindictive toward them. How they feel is best expressed in the words of an Italian with a family, who said: "It is terrible the way he treats us, but what can I do? If my family gets sick, I can get no other doctor. If I say anything about what he does maybe he will kill my wife, kill my babies."

Similar fear was expressed by a native-born American, educated, industrious, and sober, one of the ablest of the company's skilled workmen. "The things this doctor does to the foreigners," he said, "are awful. But I do not dare speak out against him. He is treating my family all right, but if I object to what he does to them, and he ever 'gets me on the hip,' I believe he is a man who will get even."

This same American workman told of a case that happened, he alleged, directly under his observation: "An Italian, whose eye had been blacked a trifle, was walking past the doctor's office in company with myself and others. The doctor came out, laid hold of him, and in spite of his unwillingness pulled him into the office, where he put some water in his eye. At the end of the month \$6 were taken out of the Italian's pay check for the treatment given his eye."



Another skilled workman, native-born American, a man of highest standing in the community, alleges that the doctor charged him a bill of \$6 unjustly. He says he took the matter up with the superintendent, who said, "You are right; it is unjust; do not pay it." Two months later \$6 was missing from his pay check, and when he protested the shortage he was told that the doctor had taken it out. He at once went to the superintendent, and indignantly demanded that a protest be carried up to the higher officials of the company. But the superintendent urged him, he says, to pass the matter over and make no fuss or complaint, inasmuch as "The doctor is in the habit of doing this way."

The usual fee for the company physician at Sunrise in confinement cases is \$25; or where instruments are used \$50. One Italian woman alleges that he could not be found when her child was born, and did not arrive till four hours later. He made in all three visits, merely casual, not being needed. But at the end of the month he took \$25 from the pay check of her husband. His fee and the rental deducted, they had but \$5 for living expenses that month. And then, when her baby was sick, and he prescribed castor oil, he refused to give her so much as a dose, although she had no money left with which to purchase it.

The harshest feeling against the company physician, however, grows out of the conviction of many people in Sunrise that he has been guilty of still greater injustice.

In the case of two native-born American families, well known and respected citizens, it is alleged that they could not find the company physician and sent elsewhere to call an outside physician, whereupon the company physician took a bill out of their pay checks for himself in addition to what they paid the other physician. And this, it is alleged, when the company physician had never been near at any time or rendered any service of any sort.

In two instances that have come to our attention, foreign-born workmen allege that they were compelled to pay bribes to the company physician in order to get injured fellow workmen sent to the company hospital. And this in spite of the fact that \$1 is taken from the pay check of every man who works for the company, every month that he has any work at all, with the express agreement that he is to receive hospital treatment free if injured.

Such serious charges would be very hard to believe, save for the fact that those who make them are people of established reputation, and that they offer to give testimony before any representative the company wishes to send to investigate and learn the truth. Some offer to produce witnesses—they did so at the time of the visit of Rev. Mr. Gaddis to Sunrise in November, 1914, promising to give conclusive evidence. The only prerequisite demanded is a promise from the company that those testifying will not be discharged or discriminated against. Mr. Gaddis reported that he had put the matter up to President Welborn, but thereafter nothing has been done to carry the inquiry further, insofar as the people of Sunrise know.

Mr. Pierson came down and made a casual visit at my home, and never mentioned the thing at all. So far as I know, and the people of Sunrise know, nothing has ever been done in the way of inquiry. Certainly those people that offered to testify have not been called.

Perhaps a score of persons have lesser complaints, alleging excessive charges, harshness, neglect, and broken bone left to knit crooked. In my judgment, if the question of continuing Dr. Foster as company physician at Sunrise were put to a vote of the entire adult population, from two-thirds to three-fourths of the votes would be cast asking that he be removed. Yet some are his friends, believing that in spite of his faults, his talents as a physician make it desirable for him to remain. There is no doubt that he is efficient in some kinds of surgical work. The source of most of the trouble lies, as I see it, in the permission granted him by the company to go to the pay checks of the men and deduct from them such fees as he desires. Such collections leave no opportunity for remonstrance, and no redress in case they are unjust. Another physician, given such unjust privileges, might commit the same offenses. There are many men, who, if given such a privilege to take what is not theirs, would do so in time. And there are some, at least, who would seek revenge when objection was made to their wrongful appropriations or an effort made to remove them. When the company gives the company doctor irresponsible access to the pay checks of the men it becomes in fact a party to his acts.

The people of Sunrise have good reason for their demand of a promise from the company that they will not be discharged or discriminated against for testifying concerning the wrongs they allege they have suffered at the hands of this company physician. A little more than three years ago extortion of money from

workmen by some of the company foremen became so extreme that some of those suffering protested and presented unquestionable evidence of the vicious practice. The company had to discharge some of the worst offenders because the evidence against them was unassailable, but it also discharged all of those who gave the information against them. "Fired the whole bunch" was the expression of a company official.

Chairman WALSH. What was that particular form of graft involved in that proceeding?

Dr. McCORKLE. They fired all our men that testified against them. It was making the men pay for jobs. In one case they say that two men paid \$35 apiece for jobs, and they didn't get what they wanted and actually made them return the money, and those men were making them pay for jobs and making them buy raffle tickets. One instance that I don't mention in my paper, one foreman raffled a horse off four different times for \$100. He would raffle it off to some of the foreigners, who had no place to keep the horse, and they would sell it back to him for \$30 or \$40, and then he would raffle it again. He raffled the same horse four different times.

Chairman WALSH. Go ahead.

Dr. McCORKLE. Since that experience the workingmen feel that to object means certain discharge and perhaps a heavy expense before another job is found.

The officials of my church and practically all of the American-speaking population told me it would mean the same thing to them. If they mentioned that they had actually seen money pass from hand to hand, in grafting or raffling or anything, that they would be discharged if they told it, and have to get out of the camp.

To mention the grievance of raffling as carried on at Sunrise when I arrived there is not pleasant. For, in so far as I am able to ascertain, it has been entirely banished from the camp, thanks to the cooperation of Rev. Gaddis with my own objections and the complaints of the people. I refer to it here not as anything now interposing difficulty, but in order to explain in part the unrest that prevailed in Sunrise.

Chairman WALSH. When was that abolished?

Dr. McCORKLE. About the 1st of June, 1914, I think it ceased. On the 1st day of May I think was the last time.

Chairman WALSH. Was that reform brought about by Rev. Gaddis?

Dr. McCORKLE. Yes, sir; I know it. I was protesting against it and could not get it stopped, but he took it up and said that he would have it stopped. He went to the men in the company store and told them that they would have to take those games out, and they were taken out; and he went to the superintendent and told him that they must stop the matter of foremen compelling the men working under him to buy raffle tickets, and that stopped.

When I came to Sunrise I heard the complaint repeatedly that one of the company foremen was compelling his men to purchase raffle tickets from him every month. A prize, worth perhaps \$12, would, it was alleged, be raffled for \$50 or more. Such men as refused to purchase the tickets would be given the hardest work and could get no advancement to any job that was more remunerative. The whole thing was a matter of common knowledge and strongly condemned, but nobody dared make a move against the wrong. All remembered how when the practice was common to a number of the foremen some three years ago, everyone who testified in objection to it was discharged from the company's employ.

In the company store at Sunrise, as well as in other camps, a raffle was run, with boxes of candy, etc., offered as prizes. Young men and boys were not only permitted to spend their spare cash in this raffling, but were allowed to run bills and charge them up against their pay checks for the next pay day. It was in effect plain gambling, since a few cents might win a prize worth several dollars, while dollars were spent frequently with no prize. Often, money much needed for family support was spent thus. One poor widow, with three boys under 21 at work, and scarcely a living when the whole of their wage was turned over, would see her boys spending several dollars every month on the raffle, and had no recourse. Worst of all, the young men of the town were acquiring a taste for gambling. Gambling in secret permitted; even openly in barber shop.

Rev. Forde had demanded that I should make no mention of this store raffle, because to do so would reflect against the company. Rev. Gaddis, however, demanded successfully that it, together with the foremen's raffling, be stopped.

The people of Sunrise are very much dissatisfied with their relation to the company store. They allege many grievances. One man, a railroad employee,



tells me that he has been reported by the store managers to the railway offices in Denver three times, the last time some two years ago, for discipline, because he prefers to purchase elsewhere. The railroad official, however, who told him that he had been reported, told him also that his wages were his own and that he had a right to spend them wherever he pleased.

Many of the non-English speaking employees feel that they are compelled to trade at the company store, under penalty of losing their places. And even among the American-born citizens there are many who so much fear the store's power that they order goods from outside in secret, through friends living in the country, and never let it be known except among those who will not give them away. I and wife have at times ordered for others who were afraid to order under their own names. Just what the coercion amounts to I can not say. It is known that the store manager, who has also been postmaster until this month, inspects all money orders and keeps track of where they go. This in spite of the fact that all are written by the assistant postmistress. Yet, of late years, one of the Guernsey stores has been permitted to send its wagon to Sunrise, where it has built up a very considerable trade. I myself can not help feeling that the fear of being reported far outruns the injury it involves. Unquestionably, such fear serves to hold some trade for the store which would be transferred otherwise to some other trading point. But I am convinced that the store loses a greater amount of trade through the ill will the fear engenders than anything it gains. I have never been able to understand why the company does not tell its employees plainly that they are welcome to trade where they like, and get their trade through good will and on the merits of the goods sold.

I will say in mentioning the company's store, it is also a place where money is deposited by men working there. I wanted to get some money, borrow some money from a young fellow here a while back and he said, "I have got the money deposited in the store, but if I go down there they will ask me questions, want to know where it is going." He says, "They always question us exactly to know what we are doing with the money." And he said that he was afraid to do that, and he went and got the money from another source and brought it to me, and never let it be known. He said that one of the young boys had a deposit in the postal savings bank, and he wanted to use \$50, and he had to wait six days before he could get it to use it out of the postal savings bank.

Chairman WALSH. That was the fault of the Government, then?

Dr. McCORKLE. But the store manager is postmaster. There is no show of getting it out while he is postmaster.

Prices charged in the company store are not uniform, even on the same day. Flour, for instance, was reported as sold to different persons on the same day at \$2.75, \$2.85, and \$3, so a clerk claims. I myself last winter purchased a box of the best apples in stock at \$1.75, and was very much surprised when a non-English speaking family reported to have paid \$2.75 for a box at the same time. Just a dollar's difference in the boxes.

People whose word I find it very hard to doubt allege short weight, and even in some cases false entry. Though everyone, I think, believes the man who is bookkeeper keeps his books honestly and well. In the store, as elsewhere, the difficulty seems to lie in a system which tempts the heads of each department to be dishonest. These men have to get a part of their salary in the form of a commission on the profits of their department.

That rule is probably responsible for the irregularities. I had one man, a member of my church, an old man that is not there now, that was very indignant, who told me several dollars were put on a foreigner's bill that he did not owe, and he said that he had tried to have it taken off and could not, because, as he expressed it, they want everything a fellow gets, and if he doesn't trade it out, they take it anyhow. I don't know just what his experience had been; he had been working in the company store at the head of one of the departments, and he felt very strongly that the people were being wronged. I don't know the merits of the case of why they made that man pay that money, for he said the fellow did not owe it, but they made him pay it.

Other things at Sunrise caused unpleasant feelings. For instance, sidewalks so muddy, frequently, that rubbers and overshoes are pulled off in trying to wade it, yet the company sends good cinders to the dump heap, it is claimed. Were it not the climate is so dry that the streets are seldom muddy this grievance would be far more serious.

One instance that has been charged that is very serious if true, there was a man that had taken a homestead near the village of Sunrise, a man that had had trouble with his employer for quite a while, and it was reported to me by a person who said one of the company foremen alleged that this fellow was discharged because he would not turn over a part of his homestead to the company at its own price. He had his homestead there, and it seems that this homestead, or part of it, offered an opening for some other company to get in and mine property that was owned by some outside interest, independent of the Colorado Fuel & Iron Co., and the company wanted this man just to relinquish his homestead holdings, or a portion of it, to them, so that they could cut out the possibility of somebody else coming in. When he would not grant that to them they simply discharged him. That is the report that is current in Sunrise, and I got it fairly straight. I hope it is not true, but I know he was discharged. He came to work one morning, and they told him they didn't want him, and I know they wanted his homestead and could not get it, or part of it and could not get it. That occurred just a few months ago, last fall I believe it was.

There is a feeling in Sunrise, I am glad to say, that things are growing better in almost every respect. With the help of Rev. Gaddis I succeeded in getting the company to install a motion-picture machine. That was installed in July, 1914. A five-reel program is now given on Saturday night and another on Monday night; and the admission, 5 cents, is barely enough to cover the company's expenses in supplying the films, electricity, etc.

We run the machine and pictures in the church building. Rev. Gaddis also aided my wife in getting a kindergarten established last January, and this has since been made a part of the public-school system for the coming year. I have brought with me a request for a new hall for Sunrise, signed by the different lodges in Sunrise, officially. This was prepared last January, under the direction of Rev. Gaddis. The people of Sunrise are hoping that the company will care sufficiently for their need for a hall to provide it, even though Rev. Gaddis is no longer with the company to plead for their welfare.

I have the petition here, but will not read it unless necessary.

Chairman WALSH. I just want to ask you a question or two and then Commissioner Weinstock, I believe, has some questions.

Did your wife write a letter to Mr. Starr J. Murphy in October, 1914, calling attention to this matter that you detailed here about the doctor, and also abuses by certain foremen there?

Dr. McCORKLE. I have a carbon copy of that letter made at the same time the letter was written, and if you will permit I will read the letter. It was written August 31, 1914. It went to Miss Mariam L. Woodberry, home mission secretary of the Congregational Church, who travels throughout the country and who frequently stops at the home of Mr. John Gilmore, in Montclair, N. J. Mr. John Gilmore is a personal friend of Mr. Murphy. When Mr. Gilmore heard of some of the things we had told Miss Woodberry, he says, "My friend, Starr J. Murphy, won't let those things go on, I am sure. You send and get a definite statement, and I will give it to Mr. Murphy, and I will see if we can not get something done."

Chairman WALSH. All right. Read it.

Dr. McCORKLE [reading]:

"MY DEAR MISS WOODBERRY: There is an hour ahead of me in which I am likely to have no interruption. So I shall try to get this letter written—"

Chairman WALSH (interrupting). That is being written by your wife to Miss Woodberry for transmission?

Dr. McCORKLE. To Mr. Murphy, through Mr. Gilmore to Mr. Murphy, as a response to the request from Mr. Gilmore that something definite be put before Mr. Murphy in order that he might act.

"This camp is very prettily situated. I am sending some summer views as you requested. (One of the Japanese boys wants to become a photographer, and this is his practice work.)"

"I wish the individual houses were a little clearer, so you could easily understand what I am going to write to you. The houses in picture 1 are of a uniform plan and construction, and are occupied by English-speaking tenants. Some of the buildings (their location is indicated by a circle drawn in picture 2) are built on a different plan. Foreigners occupy them."

"The company charges the same price per room in all cases. In order that you may understand more fully what a different return different persons get for the same money I will describe further. Houses for the English-speak-



ing people, such as you have seen in picture 1, are weatherboarded outside and fairly comfortable, with the exception of cold floors. They are well plastered inside, and are kept painted inside as well as outside. The company gives free repairs for the houses of English-speaking tenants every two years, and furnishes paint free to them at any time that they wish to paint for themselves.

"Many of the foreigners are treated quite differently. No repairing or painting is done for them free. One who wants repairs or painting must himself pay for the materials and for the time of the workmen; and for such material a very high retail price is charged. Some of the buildings for the foreigners are not weatherboarded outside, but are constructed of boards stood vertically, with narrow strips nailed over the cracks to keep out the weather. And inside the walls are made of paper board instead of plaster.

"I have been in a house that has not had a stroke of repairing put on by the company for eight years. Last winter, when the door was groken and snow was coming in, the men had to shift for themselves in getting it fixed. Repairs were promised, but they never showed up. Yet these people pay exactly the same rent as do the more favored tenants."

Chairman WALSH. Say—on account of the fact that we have to hasten a little, on account of waiting witnesses, it has been suggested here, I think rather wisely by the commission, that you epitomize. Just tell us the substance of what that letter contained which your wife wrote to this lady.

Dr. McCORKLE. Well, she speaks of some people having water in the houses—

Chairman WALSH. Well, does she set forth that there was discrimination?

Dr. McCORKLE. Discrimination.

Chairman WALSH. Exhibited toward these workmen to the detriment of the foreigners?

Dr. McCORKLE. Yes.

Chairman WALSH. I gather that—did she set forth to Mr. Murphy about the alleged practices of this physician?

Dr. McCORKLE. Yes.

Chairman WALSH. Did she set forth about the alleged mistreatment and alleged unjust treatment of the foremen to employees?

Dr. McCORKLE. Yes.

Chairman WALSH. And did it in detail? I notice there are four or five pages?

Dr. McCORKLE. Yes; and mentioned, too, the condition in the schoolhouse—that they needed a better schoolhouse.

Chairman WALSH. Did she say anything about the efforts to exercise any influence over you as a minister, or any interference in religion?

Dr. McCORKLE. She did not mention that, I believe, at all.

Chairman WALSH. Well, have I covered all the things that she did mention?

Dr. McCORKLE. I think you have covered practically the whole thing.

Chairman WALSH. Tell me now, did you receive any reply to that?

Dr. McCORKLE. No reply whatever.

Chairman WALSH. Do you know what became of the letter, Mr. McCorkle?

Dr. McCORKLE. I have no idea—

Chairman WALSH (interrupting). Now, I would like to read you a letter—

Dr. McCORKLE (interrupting). Except I saw some printed letters showing Mr. Murphy had received it; and I got word from Mr. Gilmore that it had gone to Mr. Murphy.

Chairman WALSH. That he had given it to Mr. Murphy?

Dr. McCORKLE. Yes.

(The unread portion of said letter was as follows:)

"English-speaking tenants are complaining of lesser discriminations among themselves. Some time ago each tenant who wished was permitted to buy and install a kitchen sink and put a faucet in for running water. (Some of the higher-salaried officials even have bathtubs.) But this privilege to put in a faucet and sink is no longer allowed. Many women have to carry all the water they use from a hydrant outside, hydrants being allowed outside, one to every four houses. Since all the village lies on sloping lands, this means much carrying up and down hill.

"The company has built, in the English-speaking part of town, a privy for each house. But among some of the foreigners it has built only one privy for 10 houses. This is not so bad now that some of the houses are not occupied. (On account of the Colorado coal strike fewer men are now employed than at any time since the village was built up.) But it was very bad when

the mine was working full time, and every house had four to eight occupants or even more. Since there have never been any more privies in that part of the village you can imagine the unwholesome conditions under which the men were forced to live.

"I will say, however, for Supt. Weed and his assistant, Mr. Tucker, that they are considerate in directing the men at their work. The men appreciate this.

"Most of the men here work 10 hours per day, 6 days per week. Their wages range from \$1.10 per day to a little over \$3 per day. In other metal mines of the West it is largely true that the men work 8 hours per day and get from \$2 to \$5 per day.

"I can think of 6 to 10 men in the camp who work from 11 to 13 hours per day, 7 days a week regularly. Until work was cut down 3 months-ago many men had to work on Sundays, and several now work a part of every Sunday. There is one man who, up to July 4, 1914, had not had a Sunday or a holiday off for 5 years. Frequently during that time he worked 36 hours at a stretch, except for meals. He got to take the last fourth only by exchanging work with the night man; he paid for the holiday by doing 22 consecutive hours of work.

"Unreasonably long hours of work do anything but create a cordial feeling for the company. Yet we are told that this camp, with perhaps one exception, is the best that the company has.

"Since we began our work here some changes for the better have been made. I told you, did I not, that Mr. Gaddis had the raffle removed from the company store?

"The schoolhouse has been somewhat remodeled this summer. Another room has been made by dividing an old one, and more windows have been added. Last winter the first and second grades met in a small, one-room building. All the other grades met in two poorly-lighted rooms of a different building, in the shadow of a big hill. Sometimes classes had to close at a few minutes after 3 o'clock for want of light. There was almost nothing in the way of equipment. Boys and girls here are much behind children of the same age elsewhere. After we saw the school facilities we understood why.

"An additional teacher is to be put in this winter, I am glad to say. Last winter there were 40 children in the primary teacher's one room. Some playground apparatus is also to be added to the school equipment.

"Mr. Gaddis got motion pictures for us the 1st of last July. We now have pictures two nights a week. Prior to this no recreation had been provided, although the camp had been running 10 or 12 years. There is a hall which can be rented for lodge meetings, weddings, and dances. There is the church building, with auditorium and one small anteroom. The company has made no other provision for community life whatever.

"The company owns everything, and the townspeople are allowed no liberty in providing anything for themselves. For instance, when Mr. Bowers, of Denver, wanted the church built as it is, where it is, his wish was final. Life here is very dull for those who do not have homes of their own. During much of the year the saloons at Hartville, 1 mile distant, offer the sole place for friendly, informal visiting, the only escape from solitude in ill-furnished rooms. A need for some decent place for men to gather of evenings has long been felt by many of the people here, and found expression some time before our arrival; that is, there were a large number who put their names to a respectful petition or request for such a building. The petition was completely ignored, they tell us, no answer whatever being returned.

"Permitted to own nothing, permitted to confer about nothing, the people have grown to feel that the company cares very little about them or their wishes.

"A year or so ago men had to pay \$35 and \$50 to get some of the most dangerous jobs; they even had to pay for promotions. It grew so burdensome that some of the foreigners made a fuss about it. Those who reported it were discharged. But the shake-up has resulted in a stop being put to the worst of it.

"However, there were other forms of graft that continued to flourish.

"There is one foreman, F. W. Knable, whom we found running a little business of his own. An American of good standing first told us what he was doing; now the men who work under him are verifying it. However, they do not wish us to make their names public, thus causing them to be discharged.

"Four months ago this foreman forced the men working under him to buy raffle tickets on a watch worth probably \$12, perhaps less. Since he sold more



than \$50 of the tickets, he had a clear gain of about \$40. Nor was this an unusual proceeding on his part. He was known as chief among those who ran raffles; and raffles had been running about twice a month; that is, every pay day.

"Men who wanted to keep their jobs felt that they must buy his raffle tickets. Those who did not buy were liable to be discharged on the least of prettexts. Those who bought heavily were rewarded by freedom to loaf on their jobs.

"When Mr. Gaddis was here in the latter part of May we protested emphatically in behalf of the men. Since then he has not sold any more raffle tickets, in so far as we have heard. We do not know how soon he may begin it again, but hope it has ceased permanently.

"Another scheme he works, which causes much ill feeling among the men, is insurance. He is agent for the Continental Casualty Co., of Chicago, and also treasurer of division 9016 of this company. Every man who works under Mr. Knable must become insured in his company. If one does not, either he is discharged or he is forced to work at the lowest wage in that department, no matter what his merits may be. Most of the foreigners belong to mutual-benefit societies of their own, so this compulsory insurance means actual hardship for them.

"Several of the other foremen are agents of other companies, but no one else seems to abuse the business so much as Mr. Knable.

"When it comes to graft, however, the company doctor is chief. An American woman who has been here several years has described him as 'the most brazen grafter of them all.'

"Every man working for the company pays a dollar a month for medical treatment. This money is taken out of every man's check. Out of this money the doctor gets \$100. He also gets house rent, from this source or some other. (Houses such as his are rented by the company at \$22 per month.)

"Anyone who gets hurt in the mine the doctor treats free of charge. But suppose a man has never been hurt in the mine, but has paid his dollar regularly, if some day he happens to break a leg while not at work or gets hurt in some other way, he must, in most cases, pay the doctor a fee to get treatment. And the doctor gets his money from the man's check, regardless of the patient's financial circumstances.

"The doctor's usual price for setting broken limbs is \$25—\$15 for setting and \$10 for one subsequent visit. I know of two such cases; also of two instances where he has charged \$15 for lancing a boil or for performing a similar operation.

"He charges \$25 for ordinary confinement and \$50 for any confinement case where he uses instruments. And he charges whether he attends or not. Three reliable Americans tell us of one man who was discharged from the camp because he refused to pay a fee to Dr. Foster, the company doctor. He had been obliged on account of Dr. Foster's absence to call in another physician. Some say that Dr. Foster's bill was \$10, others say that it was \$30.

"In one case Dr. Foster arrived at a house several hours after the child was born. Twice afterwards he walked a few rods to the house for simple visits. But at the end of the month he stopped the man's check and took out \$25. There had been short work in the mine that month for the woman's husband. When the \$25 was taken from the check in addition to house rent just \$5 was left to buy coal, food, and other things necessary for a living.

"The C. F. & I. Co. runs a hospital in Pueblo for the benefit of its employees. No one may go there, however, unless sent by the camp physician. And this camp physician chooses to be bribed for such service. I have talked with men in this camp who have paid him certain sums of money to get their friends sent to the hospital.

"Some years ago the Italians sent in a petition to the company against this doctor. Either because Dr. Foster is a stockholder in the company or because he is closely related to the head surgeon of the company (perhaps for both reasons) the petition has not been heard from, except that the Italians are now the special objects of the doctor's wrath.

"Dr. Foster is so sure of his position and of his salary that he has become careless. One man, whose foot had been crushed, waited 20 days for attendance. When his foot began to gangrene, the doctor came around. But the man is now lame. The friends of another man are sure he died needlessly. The doctor would promise to come at 8 o'clock in the morning, would be hindered by such serious business as playing tennis, and appear at 4 o'clock in

the afternoon. The doctors at Pueblo told the sick man's friend that if he had been sent to the hospital three days earlier he could have been saved.

"Dr. Foster makes a practice of being out of almost every kind of medicine, and of charging extremely high prices for such as he has. One man, who has been paying a dollar a month for eight years, and who in all that time has never received any free treatment, was charged 50 cents for four headache pills.

"Both Americans and foreigners have told us that they are afraid to say anything against this doctor for fear he will take revenge.

"I think I have told you enough to indicate the kind of abuses that provoke most resentment among the people here.

"It is interesting to note that the Colorado Fuel & Iron Co. is going to fight the Colorado State campaign under the caption of "Law and order." Why does the company not send some one to find out what is going on in their own camps? I have given you well-established facts, which any careful investigator could have discovered as easily as we. It is within the company's power not only to find out, but to correct abuses.

"We have heard remarks coming from two official sources here, charging that the company owns and operates the railroad in violation of law, and that in the mine many of the State laws in regard to mining are violated. There are also charges of interference with voters. We have not investigated these charges. Would it not be well for the company to clear itself before claiming to stand for law and order?

"Yours, as ever,"

Chairman WALSH. Now, I will read you a letter dated October 31, 1914, that this commission required Mr. Welborn, the president of the Colorado Fuel & Iron Co. to produce [reading]:

"[The Colorado Fuel & Iron Co., Denver, Colo. J. F. Welborn, president.]

"OCTOBER 31, 1914."

That was August 31, I believe that you said, 1914?

Dr. McCORKLE. Yes.

Chairman WALSH (reading):

"MY DEAR MR. MURPHY: I have yours of the 29th instant regarding charges made against certain of our employees at Sunrise, Wyo., by a lady living at that place. The name of the person signed to the paper which you sent me is the same as that of the minister at Sunrise, and I assume that she is the minister's wife."

That was correct?

Dr. McCORKLE. Yes.

Chairman WALSH (reading):

"At the time of the Ludlow affair the minister was very outspoken in his criticism of the coal companies, but seemed to regret his action when informed of the facts concerning that disturbance."

Is that correct?

Dr. McCORKLE. I don't think I regretted it. I regretted that the company should misunderstand what I had said, and should state that I had asked for an indiscriminate slaughter of people. I said nothing of that kind nor urged that anything should be done, except through legal acts, punishing men for treason.

Chairman WALSH. Well, that was the sermon you have already given?

Dr. McCORKLE. Yes.

Chairman WALSH. This letter goes on as follows:

"He has socialistic tendencies, however, and I have been informed that his wife is a Greek, yet they may be both perfectly honest, and it is possible the charges made by the lady are true. At the same time it is rather hard to understand that such practices as the doctor is charged with could have been indulged in without our hearing complaints from other quarters, unless the mine superintendent and others in authority are in the conspiracy with him.

"The matter is of such grave importance that I will have it investigated thoroughly at once, and, of course, will advise you of the results."

Now, has that investigation been had?

Dr. McCORKLE. No hearing has been given to the people who make the allegations. I will say that Mr. Gaddis came in the first part of November and said the company was going to take the matter up, and he wanted to know



if the people would testify, and they promised to testify to us; and said if the company would give them this guarantee that because of testifying that it would not cause their discharge, or they would not discriminate against them, let some impartial man come that they could depend upon not disclosing their names, they would come before him; and nothing was done.

Chairman WALSH. Now, you say that some time you were informed there was a disposition on the part of the company to have you removed. Now, when was that, with reference to this complaint made by your wife?

Dr. McCORKLE. It was prior to that complaint. But I had a letter from Mr. Gaddis, along in the summer, mentioning the company, and saying that the company had brought pressure upon Mr. Forde to have me removed.

Chairman WALSH. Do you and did you challenge the authority of this company to interfere with your ministry out there?

Dr. McCORKLE. I said if they wanted to put me out they would have to evict me. I knew they could do that, but would not like to, because they would not want the publicity.

Chairman WALSH. To evict you from your home and this church?

Dr. McCORKLE. Yes.

Chairman WALSH. I will read further from this letter of Mr. Welborn's [reading]:

"We have thought some of changing the minister at Sunrise, but have refrained from taking a course that would be unfair to him, or would indicate a prejudice against him because of what may have been simply indiscreet statements in connection with the Ludlow outbreak.

"The charges against the doctor rather overshadow those made against the foreman referred to, yet I shall investigate the latter quite as thoroughly as the former, and if I find that the charges against the foremen are correct, I shall not only put a stop to the practices, but dispense with the services of the men who have been guilty.

"Yours, very truly,

"J. F. WELBORN."

Dr. McCORKLE. I will say that I think the offenses have had a stop put to them. There has been no inquiry of the people who have been wronged to get their testimony; but the men who were guilty, of course, were not removed. I have no disposition to want to be vindictive against the men, to force them to be removed, but I think the company should remove the very thing that caused the trouble.

Chairman WALSH. That is, the taking of money out of the pay checks?

Dr. McCORKLE. Giving them access to the pay checks.

Chairman WALSH. Now, as to this correspondence you had through your wife and this lady and Mr. Gilmore and Mr. Murphy—was Mr. Gilmore connected with this company in any way?

Dr. McCORKLE. I don't know; but I think no.

Chairman WALSH. Well, after that, then, the net result might be said to have been that the complaints in regard to this doctor discontinued, did they?

Dr. McCORKLE. I have heard none since that time.

Chairman WALSH. You have heard none since?

Dr. McCORKLE. Excepting this: There are complaints that he speaks to them very harshly. The foreign people are afraid of him, because of his harsh speaking, and, as they say, they don't think they are getting the treatment they ought to get. I can not say whether that is his fault or whether it is not.

Chairman WALSH. Now it might be fair to say as a result of this, that conditions have been improved?

Dr. McCORKLE. I think so; and what is more, when I was getting ready to come here a number of people told me that they felt conditions had been greatly improved, and, as some of them put it, they were mighty glad somebody was going to have a chance to come back here and tell how conditions actually were.

Chairman WALSH. Did you know that Mr. Welborn assumed the authority to change ministers at your charge? He says, "We have thought some of changing ministers."

Dr. McCORKLE. I never knew it, until I read the quotation from that letter published in the paper.

Chairman WALSH. And you are not leaving your charge? You expect to stay?

Dr. McCORKLE. Well, I don't know whether I should say "expect." We expect things we are certain of. But after that letter I got warning me that further criticism of the company was likely to cause me to lose my position, I do not know who is going to come out ahead, but I am going to stay until they find out they are able to get me out.

Chairman WALSH. You are not going unless you are evicted by process of law?

Dr. McCORKLE. That is it.

Chairman WALSH. Unless your own church authority—

Dr. McCORKLE. Unless the church authority or the people there want to change, or unless the company comes and throws me out of the house.

Chairman WALSH. Commissioner Weinstock would like to ask you some questions.

Commissioner WEINSTOCK. Let me ask you, Mr. McCorkle, by whom is your church supported?

Dr. McCORKLE. My church is supported, one-half by the board of home missions—half of my salary has been coming from the board of home missions of New York City, of the Presbyterian Church; the other half from contributions of the people. The people, however, subscribed so much this year that we reduced the application for aid \$5 a month, and they give \$5 a month more than half of my salary—the congregation does. I get \$1,200 a year.

Commissioner WEINSTOCK. And \$600 is paid by the board of home missions?

Dr. McCORKLE. Last year \$600 was paid by the board of home missions. This coming year, \$540 will be paid by the board of home missions.

Commissioner WEINSTOCK. How large a congregation have you?

Dr. McCORKLE. Well, they count everybody who contributes to the church as a member of the congregation, in the annual voting. They have 35 members, though, of the church properly speaking.

Commissioner WEINSTOCK. Then the company does not contribute anything to the support of your church?

Dr. McCORKLE. The only thing that is contributed is \$2.50 from the company store. The company store gives \$2.50 to the trustees every month. I was—well, I got very angry along in the summer. I got a letter from a brother minister who wrote me to keep quiet, saying that the company would probably give me my house rent and fuel free pretty soon; and I thought it was an offer from the company, and I sent back some pretty warm remarks. But I came to find out, according to his statement, that no suggestion of that kind had come from any company official, so I do not blame that upon the company now.

Commissioner WEINSTOCK. Now, does the company own the church building and ground?

Dr. McCORKLE. It owns everything, the church building, the grounds, the hall, the homes, the roads—

Commissioner WEINSTOCK (interrupting). Does the company exact a rental for the use of the church from the congregation?

Dr. McCORKLE. It exacts—it has a contract calling for, as I mentioned in my report, 6 per cent interest on the price of the building.

Commissioner WEINSTOCK. In lieu of rent?

Dr. McCORKLE. That is practically a rental contract, because they are not allowed ownership. That is \$180 a year, and that has not been paid, as I mentioned.

Commissioner WEINSTOCK. Do you pay rent for your home?

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. To the company?

Dr. McCORKLE. To the company.

Commissioner WEINSTOCK. What rent do you pay?

Dr. McCORKLE. The same as the other men—\$10.50 a month.

Commissioner WEINSTOCK. How large a house have you?

Dr. McCORKLE. I have a four-room house, the same as the other English-speaking people.

Commissioner WEINSTOCK. How large a family have you?

Dr. McCORKLE. Just myself and wife. I was married only a little over a year ago.

Commissioner WEINSTOCK. How many miners are there in Sunrise?



Dr. McCORKLE. Well, some of the company men told me just before more men were put on at work that there were a little over 250 on the pay roll. I suppose about 300 are on the pay roll now—and perhaps a few over 300.

Commissioner WEINSTOCK. What proportion of those are foreigners, and what proportion are English-speaking people?

Dr. McCORKLE. Well, a large majority are foreign people, though a number of foreign-born people are Cornishmen from England, and they live with the English-speaking people, and there are really no lines of distinction between them and the American-born people.

Commissioner WEINSTOCK. Well, I take it the body of the foreigners who do not speak English are Catholics, are they not?

Dr. McCORKLE. About two-thirds of the community, I should say, are non-English speaking. They do speak English, but I say they come from non-English-speaking countries. Most of them speak English now.

Commissioner WEINSTOCK. What is the proportion of those who are members of your church, and what is the proportion who are members of the Catholic Church?

Dr. McCORKLE. There are none of them members of my church. Virtually all of them are members of the Greek and Roman Catholic Churches; but several of them are contributors to the trustees of my church, and are counted as members of the congregation.

Commissioner WEINSTOCK. I see. So, just in what way would you come into personal touch with the Greeks and Italians?

Dr. McCORKLE. I go to their homes and visit them in a friendly way.

Commissioner WEINSTOCK. Just as a pastor would?

Dr. McCORKLE. Just as a pastor would. I tell them plainly that I don't want to get them to leave their church. I think it is a very foolish thing to try to get the people in the Catholic Church to come over and be poor Protestants, or in the Greek Catholic Church to come over; but I like to be acquainted with them, and do everything I can to help them.

Commissioner WEINSTOCK. Then you do not preach to them in any way except as they voluntarily come to your church?

Dr. McCORKLE. Yes; that is all.

Commissioner WEINSTOCK. Then, what does Mr. Bowers mean when he said you should keep the Greeks and Italians down?

Dr. McCORKLE. It was not Mr. Bowers, but the company physician, who said I should help them keep the Greeks and Italians down. Why that was mentioned—as I mentioned in my report, I made a visit to an Italian, who had been injured, and suggested that they get a nurse; and when five of the Italian men, men of families, mostly substantial men, came to me and asked that I telephone for a nurse, I thought nothing of going and phoning down to Cheyenne and getting a nurse for them. And he said that was stirring them up.

Commissioner WEINSTOCK. I see. Well, would you hold the company responsible for his sentiments and strictures?

Dr. McCORKLE. I think, undoubtedly, everybody in Sunrise understands that he is more powerful than the superintendent; that he can take money out of pay checks against the superintendent's orders.

Commissioner WEINSTOCK. Well, has he power to dictate the policy of the company?

Dr. McCORKLE. In how far—

Commissioner WEINSTOCK (interrupting). Outside of medical matters?

Dr. McCORKLE. He is able to dictate the policy of the company in regard to financial matters, and in regard to where getting his pay is concerned; and people are not able to tell how much further he dictates the policy of the company; but I believe he does.

Commissioner WEINSTOCK. That he is the dominating power?

Dr. McCORKLE. That he is the dominating power of the company in Sunrise.

Commissioner WEINSTOCK. That he exercises more power than the superintendent does?

Dr. McCORKLE. I think undoubtedly he does. I think the company owes it to its superintendent at Sunrise—that it is due to his general kindness and consideration for the men that there was no strike at Sunrise.

Commissioner WEINSTOCK. Are the men at Sunrise organized?

Dr. McCORKLE. The men in the railroad work are organized.

Commissioner WEINSTOCK. Are the miners organized?

Dr. McCORKLE. It is a closed shop against union miners.

Commissioner WEINSTOCK. How do the wages, so far as you know, compare in that mine with wages in other mines in Wyoming?

Dr. McCORKLE. Well, they are decidedly less than the wages of the metal miners throughout the West.

Commissioner WEINSTOCK. Can you give us the percentage—any estimate?

Dr. McCORKLE. My estimate is that they are about two-thirds less.

Commissioner WEINSTOCK. About two-thirds?

Mr. McCORKLE. Yes.

Commissioner WEINSTOCK. Now, what is the average wage of the miner in Wyoming, outside of this company?

Dr. McCORKLE. Do you mean coal miners?

Commissioner WEINSTOCK. Coal miners.

Dr. McCORKLE. These are iron miners. I have reference now to metal mining.

Commissioner WEINSTOCK. Take the metal miners in Wyoming, so far as you know.

Dr. McCORKLE. So far as I know, there are almost no metal mines in Wyoming; but in Colorado and Arizona and Montana, I should say the wages are about \$3.50 to \$4 a day for the kind of work you would get at Sunrise for say, for \$2.65.

Commissioner WEINSTOCK. So that in reference to figures, it is about one-third less?

Dr. McCORKLE. That is what I said; yes.

Commissioner WEINSTOCK. Were you present yesterday when——

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK (continuing). And heard the testimony of Mr. Gaddis?

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. You heard me quote from Dr. Goodnow?

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. You are familiar with Dr. Goodnow's attitude in the matter of strikes?

Dr. McCORKLE. Not very familiar; no, sir; I am not.

Commissioner WEINSTOCK. Then let me read it, to refresh your memory—a question put to the doctor when he was on the witness stand. Dr. Goodnow, as you know, is president of the Johns Hopkins University.

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK (reading):

"Question. Taking a concrete case, Doctor, taking the case for example, of the Colorado situation, and analyzing it, let us see what your counsel in the matter would lead to. The governor ordered out the militia in connection with some coal strike that took place in Colorado. There was a conflict of testimony there as to the cause and effect. The national guardsmen maintain that they fought in self-defense, that they were first attacked by the strikers. The strikers deny that, and claim that the initiative was taken on the part of the national guardsmen, which led to riot. Let us assume for the purpose of our illustration, and for the purpose of our analysis, that the workers are correct in their statement, and that the militia did take the initiative, and did abuse their power, and did harass and fire upon innocent people. Your advice and counsel under those circumstances to the worker is, take the result? Yield for the time being, do not attempt to take the short cut and get immediate redress, but recognize the existing authorities and abide by their demand? Let your remedy come by use of the ballot; see to it that the commander in chief that is responsible for this is either recalled under your recall law or is condemned by public sentiment and not reelected? Do I follow you?

"Dr. GOODNOW. Yes, sir; it seems to me that any other advice is going to lead to anarchy. It seems to me that the fundamental proposition you have to start with is that we must have peace, and we shall not recognize any such thing legally as right to restrain the constituted authorities. The right of revolution or violence or anything of that sort. We must as civilized men adopt that idea or else there is no peace for our Government.

"Commissioner WEINSTOCK. In other words, the short cut to the remedy must be condemned?

"Dr. GOODNOW. Yes, sir; as I look at it.

"Commissioner WEINSTOCK. And that it is better for a group of men to suffer from real or fancied injuries temporarily than to have chaos prevail?



"Dr. GOODNOW. Certainly. One of the many troubles seems to be the workers in the country will never gain anything by any such thing as organized violence. The people as a whole condemn it, and they can do very much better by presenting their case as forcibly as it can be to the courts, where that is possible, or to the public as a whole."

That question was put to Mr. Gaddis, as you will recall, and this was Mr. Gaddis's reply:

"I lived in Cincinnati, or near Cincinnati, at the time of the great riots there. The courts of Cincinnati were turning out murderers scot-free almost by the dozen. There was one colored man there committed a brutal murder in a livery stable, and there was scarcely a shadow of a doubt that he was a murderer; and the citizens of Cincinnati went to the music hall in a mass, and that city was in the hands of a mob for days. I believe that riot did good."

"Commissioner WEINSTOCK. Then you are a believer in riots, Dr. Gaddis?"

"Dr. GADDIS. I am in such instances; yes, sir."

"Commissioner WEINSTOCK. That is, you justify rioting?"

"Dr. GADDIS. I justify clarifying the atmosphere that has become so polluted and fetid that a man is asphyxiated in it when he holds his head up."

Then there are some intervening questions, and the testimony continues as follows:

"Commissioner WEINSTOCK. Summing up, then, despite the fact that you are a clergyman, a Christian clergyman, who stands for peace and for law, and for order, you would justify resistance to the constituted authorities if, in the judgment of a group or an individual, they felt they were not getting a square deal at the hands of the constituted authorities?"

"Dr. GADDIS. In very rare instances I would. Crime is crime, whether it is committed with the ermine of a judge or a jury, or anybody else—it is crime."

"Commissioner WEINSTOCK. Would you punish such crime?"

"Dr. GADDIS. I would certainly try to get them out of power."

"Commissioner WEINSTOCK. Well, if a body of strikers, in their mistaken notion of how to get at their rights—ill advised and ill guided and misdirected—should take the short cut and resist the authorities and resort to violence, would you punish them for having done so?"

"Dr. GADDIS. If a body of strikers should do that?"

"Commissioner WEINSTOCK. Yes."

"Dr. GADDIS. Well, that would depend on all of the circumstances leading up to that expression."

"Commissioner WEINSTOCK. Well, you are thoroughly familiar with the circumstances in Colorado, of course. You told us you were there from start to finish. Would you punish the strikers who resorted to violence in the State of Colorado?"

"Dr. GADDIS. I would not."

"Commissioner WEINSTOCK. You would not?"

"Dr. GADDIS. No, sir."

"Commissioner WEINSTOCK. You would let them go scot free?"

"Dr. GADDIS. Well, I am inclined to think I would."

Now, here you have the two extremes; you have the attitude of Dr. Goodnow, who believes in law and order, and he tells us that any remedy for industrial ills is through the ballot; and here you have the sentiment of Dr. Gaddis, whom I think is equally honest in his opinion, who takes the opposite view and justifies resort to violence—in other words, justifies the short cut where men feel they are not getting what they are entitled to at the hands of the constituted authorities. Now, kindly tell us with which of the two gentlemen you agree?

Dr. McCORKLE. I must answer that question at some length, and I hope you will bear with me patiently.

This world, and the various nations of this world, from the earliest history we have, has been struggling, so far as most of the inhabitants are concerned, toward the establishment of law, has been struggling toward the establishment of certain principles, a summary of which is given in the Ten Commandments. Law is an expression of those principles, and the great effort that humanity is engaged in—one of the greatest efforts it is engaged in is to establish the authority of the law and to secure submission to the legally constituted authorities.

For a long time in the state of savagery a man thought, if he was put up in a place of authority, that he was under no law, but was outside of the law. After a while they found out it would not work. If you put a man up in the

position of a king or judge, and he went raving crazy, you would not keep him; you would not have him as a constituted legal authority. Some of the nations left insane people like that go on in their madness and it worked great harm, and they found they would have to change that. The idea began to dawn on the people that the officer himself is subject to the law.

You remember the old story of King Ahab and Naboth's vineyard; he wanted it, and he was King, and the laws of the land did not restrain him. And King Ahab, through the work of Jezebel, went over and, independently of the law, took Naboth's vineyard. And you remember that the prophet said that Ahab and his house should be destroyed; and they brought about the destruction of the house of Ahab, applying the idea that even a king ought to be subject to the law.

"And the King, O Lemuel, shall drink no wine." That is an expression of the same idea. If you are in a position of authority you should be subject to the law, the principles laid down in the Ten Commandments.

We have the same thing with respect to the judiciary. I suppose there is no country in the world where the judges are respected so much as they are in England. You know how Bacon, as great as he was, allowed some one to give him gifts in a case he was judging, and how all England condemned Bacon, and he felt it grievously; and the judges are respected in England to-day on account of that.

As to the judges in this country, the condition is different. We have Judge Philips in Kansas City going out on a railroad train furnished by the railroad whose case he was judging and Judge Grosscup getting rich while he was a judge. The judges are not respected as much in this country as they are in England, and they do not have the force and authority with the people, because the people say, "You, as judges, are not subject to the principles and the laws like you ought to be."

In southeastern Colorado you have the coal companies selecting officials, not for the purpose of having those officials submissive to the law, not for the purpose of having those officials give expression to the law or to enforce it, but to prevent its enforcement. In other words, you are putting anarchists in the positions of officials; men who do not submit to the law but try to prevent the laws from being enforced; and you have the companies employing bodies of armed men and those men being enlisted in the militia.

You have anarchists in authority, men who recognize no law and no principle, but who are there and serving the company who is paying them rather than enforcing the laws of their State.

Now, place yourself in that situation; suppose you are a miner down there in Colorado. Here are some anarchists over you, and you try to reach them through the laws of your State, as they did in the case of that effort to recall that judge at Trinidad, and they stepped in and threw you in jail in violation of your rights to act under the law. They are merely anarchists and men who are subject to the law no more than a crazy man would be. They come to your homes with those men, armed with deadly weapons, and they aim a gun at your wife. You say, "My hands are tied; this man represents the legally constituted authorities." These anarchists the company has put in to violate the law are legally constituted authorities, but they are not observing the law; they are violating it; they have begun the violation of the law themselves; and you say, "I can not raise my hands to protect my wife and children; I can not do anything to save my home from ruin; I am perfectly helpless, because these anarchists who have been put here by the companies to violate the law have got the names officials"; and you sit down and let your family be killed. If you did, I do not think you would do what is right. I think you should oppose the anarchists who are put in by these companies to violate the laws of the country. I think it is just as bad for the Colorado Fuel & Iron Co. to undertake to destroy the lives of the people, in violation of the laws of the country, by men called officials, as it was for King Ahab, who was an officer, to destroy the life of Naboth in violation of his country's laws. And I think that any minister who has a sense of justice will say that when the law is being violated by the men who pretend to be its exponents, when you have the anarchist in the position of an official, and he is there ready to kill your family, and you have no other recourse, then it is not only your right but your duty to defend yourself by force.

Commissioner WEINSTOCK. Are we to understand from that, Mr. McCorkle, that you are in perfect accord with the opinion expressed by Dr. Gaddis?



Dr. McCORKLE. I think I am in perfect accord with the opinion expressed by Dr. Goodnow when he said we should work for peace. What I said in my report was that we should execute these men and kill off those persons working against our Government in employing this armed force to create that condition. I am in sympathy with Dr. Gaddis's statement that if you were in Colorado where you had anarchists set in positions of authority above you and preventing your actions which under the laws of the State were guaranteed to you, you had a perfect right to stand up against them and defend your family; and if I had been there I should have done everything in my power to defend the lives of myself and family and those people being oppressed by the anarchists this company was hiring.

Commissioner WEINSTOCK. In other words, you indorse the action of the strikers; you think that they were justified in resisting and resorting to force?

Dr. McCORKLE. I think they certainly were.

Commissioner WEINSTOCK. And your reason for thinking so is that they were being robbed of their rights?

Dr. McCORKLE. My reason for thinking so is that anarchists were in the positions of officers, and the laws of the State could not be enforced to protect them and save their lives from destruction.

Commissioner WEINSTOCK. And you think the way pursued by the strikers of Colorado, which we will have to call the "short cut," is the most effective way of bringing about the change in conditions?

Dr. McCORKLE. I think the only cut is most effective.

Commissioner WEINSTOCK. That is the only cut, you say?

Dr. McCORKLE. Yes; that is the only cut. I think, when there can be legal action taken, that should be done, but when they come into your homes and undertake to destroy the lives of your wife and children, then you have no alternative, you have no opportunity to do otherwise. The company officials who deliberately put men there to violate the law that created a state of anarchy, they were the instigators of the men who began the violence.

Commissioner WEINSTOCK. Then if the strikers were justified in resorting to violence, as you have said, I suppose all of the citizens of this country who find themselves in the same position would be equally justified?

Dr. McCORKLE. It becomes a man's duty to stand up for the laws of the country and their administration against the men who, by violence, are undertaking to overthrow them.

Commissioner WEINSTOCK. A little while ago you asked me to imagine myself a coal miner living under those conditions and being robbed of my civil and political rights. I have not been a coal miner, but have lived under relatively like conditions. If you are at all familiar with the political conditions of the State of California, of which State I happen to be a citizen, you are doubtless aware of the fact that for 40 long years we had political anarchy in that State. The government of the whole Commonwealth was in the palm of the hand of the railroad companies, and I, in common with the rest of my fellows, was robbed of my political rights. This will illustrate it. I remember on one occasion, living in Sacramento, when coming down to the polls to vote one morning overhearing a political boss of that community say to one of his henchmen, pointing to a friend of mine: "Say, Bill, there is one of those purity chaps. He thinks he is going to vote for his candidate, but whether he casts his ballot for the Republican candidate or for the Democratic candidate, damn him, he will be voting for my candidate, because I own them both." That was the condition in the State of California for 40 years, and we all knew it.

Dr. McCORKLE. Just like Colorado.

Commissioner WEINSTOCK. Now, from your point of view, you would be justified in organizing a vigilante committee and using guns to wipe out the political bosses, henchmen, and ward heelers?

Dr. McCORKLE. Did they come into your house with guns and threaten the lives of your people?

Commissioner WEINSTOCK. No.

Dr. McCORKLE. He could, but he didn't?

Commissioner WEINSTOCK. That was the case; the railroads absolutely controlled that thing, the judges and the legislature, and no man would even think of being elected to the position of dog poundmaster without getting the railroad companies to recommend him.

Dr. McCORKLE. I would have done in that case as I did at Sunrise and gone to work and got people enough behind me to bring about a change without violence. You say they did not come into your house with guns?

Commissioner WEINSTOCK. No.

Dr. McCORKLE. If they had done that, they would not have left me anything but force. So long as they withhold force, I withhold force. The trouble in Colorado was the company was the first to use force and violence.

Commissioner WEINSTOCK. In Colorado?

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. You are familiar, are you, with the facts in Colorado?

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. Are you aware of the fact that the strike was called—do you remember, Mr. Walsh? I think it was about the 15th of September, if I remember right.

Chairman WALSH. A little over a week after that—September 23.

Dr. McCORKLE. I think it was September 23.

Commissioner WEINSTOCK. My recollection of the dates is defective, but I remember this: That the strike was declared on the 23d, and we have testimony in our record, which I think has not been contradicted, that on the 12th of September, 10 or 11 days before the strike was declared, the coal miners went into the neighboring communities and bought up all the arms and ammunition, anticipating there was going to be a scrap and preparing themselves for the scrap.

Dr. McCORKLE. They were doing nothing more than the coal companies were doing in buying machine guns and ammunition, were they?

Commissioner WEINSTOCK. Admitting that the coal companies were doing that, it takes two to make a scrap, doesn't it?

Dr. McCORKLE. Certainly.

Commissioner WEINSTOCK. Have you read the testimony in the case carefully?

Dr. McCORKLE. Before the commission?

Commissioner WEINSTOCK. Yes; and other commissions.

Dr. McCORKLE. No, sir; only a part of it.

Commissioner WEINSTOCK. Are you aware of the fact that at least to my mind—I do not know how my fellow commissioners feel in the matter because we have not discussed it among ourselves and have reached no conclusion—I have yet to be convinced that the representatives of the authorities took the initiative and were the first to fire on the strikers.

Dr. McCORKLE. I do not think it was the representatives of the authorities, but the representatives of the coal companies, more or less independently.

Commissioner WEINSTOCK. No; I think the testimony shows that those who took an active part—

Dr. McCORKLE (interrupting). Who was the first man killed?

Commissioner WEINSTOCK. I do not remember.

Dr. McCORKLE. Gerald Lippiatt; he was murdered by hired gunmen in the employ of the company. Bear in mind, when I said I would not use force until they first used force, I did not mean to say I would not keep a gun in the house if I knew they are getting guns.

Commissioner WEINSTOCK. Let me ask you this question: You are a Christian minister, are you not?

Dr. McCORKLE. Yes, sir.

Commissioner WEINSTOCK. You said a little while ago that you were earning \$1,200 a year?

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. I do not say this to flatter you, but because I believe it; I am sure a man with your mentality and character and ability could, in some other walk of life, earn more than \$1,200 a year, and I take it the difference between what you are earning and what you could earn in other walks of life is your contribution to the cause of religion.

Dr. McCORKLE. I want to say that I was offered the superintendency of the Neighborhood House at Gary, Ind., paying about \$1,300 a year, with the use of a house, etc., which amounted to \$1,500 or \$1,600 a year as compared with what I am getting now. I could have gotten a \$2,000 position with the Government, but I am working for the good of the working people.

Commissioner WEINSTOCK. You are working in a cause?

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. And that cause is religion?

Dr. McCORKLE. Well, there is a difference in what is called religion. Mr. Bowers and I had a controversy about what religion means. I am working for the religion of Christ.



Commissioner WEINSTOCK. I take it you are a Christian clergyman?

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. And you are preaching Christianity because you believe that to be true generally?

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. And you believe what Jesus taught, that those things are the things that human kind ought to do?

Dr. McCORKLE. I certainly do.

Commissioner WEINSTOCK. And your aim is to have your fellow workers to follow in the footsteps of it?

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. And observe His injunctions; is that right?

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. Do you believe the injunctions that were offered by Jesus are practical injunctions and should be observed?

Dr. McCORKLE. I do.

Commissioner WEINSTOCK. You do?

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. You would consider yourself derelict in your duty, then, if you violated those injunctions, would you not?

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. And that you could not be a consistent Christian teacher unless you followed in the footsteps of Jesus and followed out the injunctions laid down by the great Master?

Dr. McCORKLE. That is correct.

Commissioner WEINSTOCK. Then how do you reconcile your statement that you would resort to force under circumstances—under such conditions, with this statement of the Master, who said, speaking of the law, "Whosoever shall break one of the least of the Commandments and shall teach men so, shall be called the least in the Kingdom of Heaven; but whosoever shall do and teach them shall be called great in the Kingdom of Heaven"; and further, "Resist not him that is evil, but when thine enemy smite thee on one cheek, turn the other also"; and furthermore, "A disciple is not above his teacher nor a servant above his master."

Dr. McCORKLE. It is easy to take a part of what Jesus said and leave the rest out. "Resist not him that is evil," you say; but how are you going to interpret the act of Jesus in taking the lash and whipping the fellows who were changing money in the Temple and overturning the seats of those who were selling doves?

Another thing Jesus tells His disciples is to let him that hath no money sell his cloak and buy a sword; you will find that in the Gospel of Luke. Now, as I look at it, it is this way: Jesus was trying to teach His disciples to work for the good of mankind. I have no doubt that Jesus would have used strong measures if He could have gotten His disciples to have the right spirit. But you know that on the way to Jerusalem, just before He was crucified, the disciples quarreled among themselves as to who should have the biggest place. It does not do any good to turn out one body of men and put in another when that is their viewpoint. Jesus was in favor of force when it took force to secure justice, but He wanted His disciples to seek for peace.

Half of the quarrels in the world arise from the fact that the first time you are hit you are ready for a scrap. Jesus said, when your enemies smite you on one cheek you should turn the other, but I do not think He meant that you should make a windmill of yourself and go around—

(Witness here interrupted by applause and laughter.)

Chairman WALSH. Let us have order, please.

Commissioner WEINSTOCK. Are we to understand, then, that Jesus was self-contradictory; that His own utterances can be used against Him; that He preached one thing and did another; that when He said you must obey the law and respect it that He did not mean it, and when He said you should preach nonresistance He did not mean it?

Dr. McCORKLE. I do not think Jesus was self-contradictory; I do not think I am self-contradictory in trying to do anything I could. I think I would help Mr. Rockefeller or any official of the Coal & Iron Co. if they were suffering and needed it as quickly as I would anybody else; but when they are guilty of treason and when their action is costing the lives of thousands or millions of people and there is no other way of restraining them, and they provoke violence that destroys practically every possible relief, then I would say I would prosecute them, not because I am angry with them or want to punish them, but because I want to protect the lives of the people, because there is no safety.

Commissioner WEINSTOCK. Who would be the executioner?

Dr. McCORKLE. The men who were in control, power, and authority.

Commissioner WEINSTOCK. Let me see if I understand you right; you say, that if a mining company should practice anarchy and control those things; that is, put their own officials into certain places, not with the intention of observing the law, but with the intention of violating the law, that would be a case of treason in your opinion?

Dr. McCORKLE. I said hiring a private army is treason; the other is treason, but not as bad as hiring a private army.

Commissioner WEINSTOCK. And those who commit that kind of treason ought to be punished?

Dr. McCORKLE. I did not say I thought they ought to be punished; I do not think they ought to be punished.

Commissioner WEINSTOCK. What would you do?

Dr. McCORKLE. I think that we can have peace without it going that far, by trying to get people who want peace and justice to stand together and restrain them peaceably and get them to turn their talents in the right direction. They have great talents and ability, and I would not execute them as long as peace and safety could be secured without it; but my statement was that if their action ends in war, then you have come to the point where you can no longer deal with them on peaceable terms. They know exactly what the outcome of their acts will be; if they plunge the country into war then they must be executed.

Commissioner WEINSTOCK. Who should execute them?

Dr. McCORKLE. Well, if there ever comes war in this country, it would be well for the people on the other side to remember that the first struggle will be won by the workingmen, and then their officers, after a fair trial, should execute every one of these men before they get to quarreling among themselves, because as you know, and every student of history knows, if the workmen get control it will not be long before they will quarrel among themselves as to who should have the biggest places. And so I say that the first thing and the big thing we want to work for is peace without any war and execute no one; but if war comes, I am confident that the workingmen will be on top at the end of the first struggle, and every man who is guilty of hiring those private armies must be executed, for it is treason; so they will have no chance to come back after the working people.

Commissioner WEINSTOCK. Evidently I have not been able to make myself clear. Let us take this concrete case and assume that what you have said is true. Let us assume that some mining company in Colorado did unlawfully hire gunmen.

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. And let us assume that those gunmen; that the actions of those gunmen did lead to riot, and that it was a treasonable act; how would you go about punishing those who had committed the treason, the conditions as they are to-day?

Dr. McCORKLE. With the conditions as they are to-day, I would put them in some sort of a hospital where they would not have a chance to get out again.

Commissioner WEINSTOCK. Who would have the power to do that?

Dr. McCORKLE. I would get possession of the State government in Colorado.

Commissioner WEINSTOCK. How would you get possession of the State government in Colorado?

Dr. McCORKLE. By going down there and working among the people.

Commissioner WEINSTOCK. Would you do it by force or educational methods?

Dr. McCORKLE. By telling the truth, instead of sending out bulletins like Mr. Lee has.

Commissioner WEINSTOCK. Would you do that through the ballot or bullet?

Dr. McCORKLE. Through the ballot, every time; I would never use force until the other fellow used it first.

Commissioner WEINSTOCK. You are starting out, of course, on the theory that in this case the force was used first on the side of the operators.

Dr. McCORKLE. It was.

Commissioner WEINSTOCK. And your foundation for making that statement is what?

Dr. McCORKLE. My foundation for making that statement is their employment of these armed—of these so-called detectives—and arming them with deadly weapons. It is a very different proposition for me to arm myself to protect



my family and for another man, or me, to hire some stranger who may be ready to commit murder—to hire him and put a deadly weapon in his hands. When I have the weapon in my hands I am going to use judgment and not shoot until it is necessary, but when he has the weapon in his hands he is going to shoot or raise some kind of trouble in order to keep himself in a job.

Commissioner WEINSTOCK. Summing up, I want to be sure that I get your position right. Taking this very case in Colorado, your statement in brief is as follows: There was trouble between the miners and the mine operators.

Dr. McCORKLE. Yes, sir.

Commissioner WEINSTOCK. Relating to wages or working hours or working conditions in the closed shop.

Dr. McCORKLE. Yes, sir.

Commissioner WEINSTOCK. That that difference led to a strike.

Dr. McCORKLE. It did.

Commissioner WEINSTOCK. That the men refused to work under the conditions named by the company, and the company refused to meet the conditions named by the workers.

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. And there was a hung jury.

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. And the men exercised their rights and privilege and withdrew from the employment of the company.

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. And the company then went out and employed gunmen.

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. Exactly. And that these men, either before or after the company employed gunmen, went out and armed themselves.

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. And it led to a conflict.

Dr. McCORKLE. Yes, sir.

Commissioner WEINSTOCK. In which blood was shed and lives were lost and property ruined.

Dr. McCORKLE. That is it.

Commissioner WEINSTOCK. And that under those circumstances you would justify the strikers in having resorted to force.

Dr. McCORKLE. Under the circumstances when the other men came as aggressors into their homes in violation of the law, with anarchists holding those positions instead of law-abiding citizens, then I justify force if it was necessary to save their families from violence, when that was the last thing and only thing left.

Commissioner WEINSTOCK. You not only do that, I take it, but when you say that, I assume that you assume that the operators took the initiative and were the aggressors when it came to real action.

Dr. McCORKLE. I believe it.

Commissioner WEINSTOCK. I further take it that your attitude is that when the strikers saw that the company were employing gunmen, or strike breakers, that they were justified in going out and providing themselves with arms and ammunition.

Dr. McCORKLE. They certainly were.

Commissioner WEINSTOCK. They had a right to anticipate that these gunmen would use their arms and ammunition against them, armed or unarmed.

Dr. McCORKLE. That was the very thing that they were buying them for; they didn't want the gunmen to catch them unawares.

Commissioner WEINSTOCK. If the Colorado strikers were warranted in doing that, I take it that you do not regard them as any specially privileged class.

Dr. McCORKLE. Not at all.

Commissioner WEINSTOCK. And you would not give them any privilege that you would not other groups of men?

Dr. McCORKLE. Not at all.

Commissioner WEINSTOCK. You know that there are groups of men that have grievances all over the country?

Dr. McCORKLE. Yes, sir.

Commissioner WEINSTOCK. The I. W. W.'s tell us that they have them.

Dr. McCORKLE. Yes, sir; I have worked enough to know there are all kinds of grievances.

Commissioner WEINSTOCK. The Socialists and anarchists have their grievances?

Dr. McCORKLE. Yes, sir.

Commissioner WEINSTOCK. And if they did exactly what the strikers did in Colorado, you would have condoned it?

Dr. McCORKLE. If they were situated as the strikers were in Colorado, with men that were not subject to the law any more than a crazy man is, setting in the seat of authority, with men with deadly weapons, men with no principle, men that were out for murder standing over them and threatening their lives, and the lives of their families, they would be justified, and you, Mr. Weinstock, I would commend, if you defended your family in the same way.

Commissioner WEINSTOCK. You think that the methods pursued by the Colorado strikers in gaining what they believed to be their rights was a method, and a more acceptable method, than the people pursued in California in getting their right? There was plenty of bloodshed in the history of California; if you or I as a voter went to the primary election and attempted to assert our right, and attempted to cast our ballot as we wanted to have it, and should wait until the ballots were counted, we would go away with a broken head. Now, we labored under these disabilities; we had political anarchy for 40 years, but by doing the very things that you have suggested, by education, by agitation, we eliminated the sinners, we eliminated the anarchy, so that to-day the State of California, for example, is the brightest and truest political democracy. The government is in the hands of the people that operate it wisely and intelligently and economically. You think from your line of reasoning, if I am to apply it, that the people of California made a mistake, that 10 or 20 or 30 years ago they ought to have used the bullet and driven out the anarchists?

Dr. McCORKLE. I don't see that your case presents a parallel at all. In the first place, a man can take a bump on his head or a few bruises, it is not threatening his life or the lives of his family in most cases, but here is another thing. You could have gotten enough men together to have gone to the election in a body so that the other fellow could not have beaten you probably.

Commissioner WEINSTOCK. No; they had the machinery.

Dr. McCORKLE. And what you say there has been going on in Colorado right along and has been for years and years, but if they had come to your home or place of business, and every other place, and had threatened your life and the lives of your family, then I think you would have had to do something. The strikers of Colorado had borne peaceably the violence that you are speaking of for years and years, but when it got outside of the matter of election day and had become a matter of life and death, they defended themselves.

Chairman WALSH. At this point we will stand adjourned until 2 o'clock; you will please resume the stand then.

(Whereupon, at 12.30 o'clock, the commission took an adjournment until 2 o'clock p. m.)

#### AFTERNOON SESSION—2 P. M.

Chairman WALSH. Mr. McCorkle, please?

Commissioner WEINSTOCK. The substance of your answers to the questions I put this morning, Mr. McCorkle, as I gather it, is that in the case of the Colorado strikers you justify their resistance and their resorting to violence because, in your opinion, it was the last resort?

Dr. McCORKLE. Yes, sir.

Commissioner WEINSTOCK. That they had no alternative?

Dr. McCORKLE. Yes, sir.

Commissioner WEINSTOCK. That politically the State was in the hands of political anarchists, and that no hope and no redress could be looked for from that channel? Did I understand you right?

Dr. McCORKLE. I was endeavoring, just before we closed, to make it clear that the position that was mentioned in California, where you had merely violence in your political work, at your elections, and the position in Colorado, where there was violence both in your effort to express yourself politically and your industrial work, indicates a different situation, and that Colorado is a place where the conditions are extreme, and where violence was justified as resistance to men that were anarchists, who were not themselves submitting to the law.

Commissioner WEINSTOCK. I gather from that you make it a point to inform yourself of conditions there, and followed this struggle as it went along?

Dr. McCORKLE. Yes, sir; in Colorado.



Commissioner WEINSTOCK. Then being well informed on the subject, will you be good enough to tell us what constitutional method the strikers followed before they went the limit of strike and resistance?

Dr. McCORKLE. I would not undertake to present that, because while I am assured perfectly in my own mind, I was not a man in the field, and there were men testifying before this commission that must have been acquainted with the steps taken.

Commissioner WEINSTOCK. Perhaps I did not understand you correctly then. I had gotten the impression from what you said a few minutes ago that you had informed yourself and was posted on the conditions there?

Dr. McCORKLE. I think that I know what the conditions were fairly well, but I don't want to give in testimony my understanding of it, when I think there are men whom the commission could call who would give it far better than I can.

Commissioner WEINSTOCK. Do you know, for example, whether the strikers before they struck and before they went the limit, whether they called, for example, upon the governor to investigate the conditions under which they were laboring?

Dr. McCORKLE. The governor to investigate the conditions?

Commissioner WEINSTOCK. Yes, sir; before they resorted to the extreme measure?

Dr. McCORKLE. As I understand, they endeavored to get the operators to meet with them, and consider the trouble, and it was impossible to do it. Now—

Commissioner WEINSTOCK (interrupting). Do you know of anything that they did? Pardon me, I thought you had finished.

Dr. McCORKLE. No; in regard to the governor, it is very little use to try to get an officer that does not want to do what is right to help you to get justice. I know a community in the State of Montana where the judge and liveryman in the town and a State senator and two other men were banded together and committed very serious crimes, and yet nobody could get any redress. In one case, where a trial was in progress, and indisputable evidence arose, the judge turned the jury loose for three days, and when he called them together again conviction was impossible. This same judge, a man in my congregation told me that he had sat on a jury under this same judge, and every day for 21 days that he sat on the jury that the judge was drunk, and one day he fell out of his chair. Conditions in the West make it useless to attempt an appeal to the authorities. You have to get different authorities.

Commissioner WEINSTOCK. So far as you know, aside from endeavoring to come to an understanding with the operators and getting a hearing at the hand of the mine operators, you don't know of any effort that was brought on the part of the strikers before they went the limit, to pursue constitutional methods?

Dr. McCORKLE. In settling their grievances?

Commissioner WEINSTOCK. Yes, sir.

Dr. McCORKLE. I think I do know a good many cases of that kind. For instance, when Mr. Fitch was out there in Colorado making investigations about three or four years ago, there was an accident happened just when he arrived there—killing three men. The workmen wanted the coroner to investigate, but the coroner said he would not do it. He made no investigation. You appeal to an officer, and you can not get a response. There were some men, the State labor commissioners, I believe, I don't remember their official titles just exactly now, but they went to these fields and found what the conditions were, and finally were shut out, contrary to law, by some of these men in the closed camps—the company officials or company superintendents. The officers of the law that were with the company would not do anything, and the officers of the law opposed to the company were not allowed even to come in, as I understand it.

Commissioner WEINSTOCK. This accident, that you spoke of happening when Mr. Fitch was there, happened three or four years ago?

Dr. McCORKLE. Yes, sir.

Commissioner WEINSTOCK. I want to confine our discussion, if you don't mind, to this particular strike, and I want to ask you again whether, of your own knowledge, you know of anything that the strikers did along constitutional lines to have their wrongs righted before they went the limit?

Dr. McCORKLE. I have heard that they did, and I have papers at home representing a number of things. I remember them, but not definitely enough to give them in testimony now.

Commissioner WEINSTOCK. Well, you say a number of them?

Dr. McCORKLE. Yes, sir.

Commissioner WEINSTOCK. Can't you remember some of them?

Dr. McCORKLE. I don't think so. I read the list at the time; but I wouldn't undertake to give them.

Commissioner WEINSTOCK. And yet you said a little while ago—you made the statement that you thought these men were justified in doing what they did, because they had exhausted every other avenue—and I am sure you would not have made such a statement without knowing what you were talking about.

Dr. McCORKLE. I am sure they exhausted every other avenue. They had a perfect right to go on strike, they were committing no offense to go on strike. It is something guaranteed them under the law of the State, and, well, Mr. Farr, if you will remember, swore in about 326 men as deputy sheriffs. He did not arm them. I believe he testified before your commission that he supposed the coal company armed them. He testified also that they might have been murderers, right from their criminal operations when he put them in, but he didn't know who to put in. He put in, I suppose, the men he was told to. He did that long before the strike began.

Commissioner WEINSTOCK. The justification came in resorting to violence and resisting the authorities, as you point out, was due to the fact that politically the State of Colorado was in a state of anarchy?

Dr. McCORKLE. Just that question again, please.

Commissioner WEINSTOCK. That the justification for resorting to violence and resisting the authorities was due to the fact, as you pointed out, that they could hope for no redress in any other direction, because the State was in a state of anarchy?

Dr. McCORKLE. You are mistaken when you say that I said that. I stated not only was the State in the hands of political anarchists, men that did not obey or submit to the law, but they had gone further, and had hired a private army, and were threatening the lives of those people with violence. When the State is merely in the hands of political anarchists, I don't believe in violence. I discriminate between your condition in California and in Colorado.

Commissioner WEINSTOCK. That is, in Colorado, you had the California condition with the plus?

Dr. McCORKLE. With the plus of murders—men from the Mexican revolution; everywhere that they could be gathered up, men who were willing to be sold for a price to murder people. They were down there to intimidate those people and kill people in their homes.

Commissioner WEINSTOCK. And the outlook for the immediate future politically was such that there was no hope to be sought for along those lines?

Dr. McCORKLE. No hope at all; as I understand it.

Commissioner WEINSTOCK. Are you familiar with the last State election in Colorado?

Dr. McCORKLE. Somewhat.

Commissioner WEINSTOCK. You know, of course, that Mr. Carlson, who had been district attorney in the northern district, in which the strike had been going on since 1910, and who stood on a law-and-order platform, was elected by a majority of 37,000 over Senator Patterson, ex-United States Senator Patterson, who was a man of rare attainment, high character, and uncommon ability, but whose sympathies had been with the strikers? Therefore, Carlson was elected seemingly by a majority of 37,000, and I have not heard one whisper of any political scandal being connected with that election. You doubtless are aware of the fact that Attorney Farrar, a Democrat—Mr. Carlson was a Republican—was elected by a similar majority, showing clearly that the people voted as they wanted to vote, and were not influenced by any boss or political control. If you have heard any whisper, indicating any political scandal during that election, you have heard something that I have not heard, and I have had opportunity of hearing it, when I was in Colorado recently and discussed this matter with a great many citizens.

Furthermore, you are probably also aware that despite the strenuous efforts of the so-called interests, the recent legislative body of Colorado passed what is known as the welfare commission law, the workmen's compensation law, and the public inquiry act. Every one of these, the so-called interests, have for many years been hostile to.

Now, in view of these facts, don't you think you are mistaken when you said that the political situation in Colorado was hopeless, and that there was no likelihood of anything but political anarchy continuing to reign?



Dr. McCORKLE. The political situation in Colorado is somewhat difficult to understand by people who are not conversant with the lives of the people in Colorado and with the actual state of them.

I remember a few years ago when I was working in the harvest field, just after I graduated from college, I went to the harvest fields in Kansas, and I remember the fellow who was working alongside of me in the harvest field, he was from the Colorado mines. He had not voted but 12 times at the last election, and he said a good many he knew had voted more times than that. He told me this, and I think there is no doubt but what he was telling the truth and he had voted 12 times in the election, and I don't think it created much of a scandal.

Commissioner WEINSTOCK. At this recent election?

Dr. McCORKLE. Not at this last election, but that is the state of mind in a good many communities in the State of Colorado. A man that will vote 12 times, it won't make much of scandal, but I suppose if he voted 120 times it might. Now, another thing is that Colorado is composed of people that get their livelihood from very diverse sources. I have worked on a ranch in Colorado, and mingled with them, and I know their knowledge of people that work in the mines is almost nothing, and, of course, when the coal companies had control of the State under Gov. Ammons, they were piling up debts on the farmers, which the farmers had to pay, through the taxes, and the farmers were very restless about having to pay those taxes, and they were, no doubt, a number of them, influenced to vote in favor of the present order, the present governor and legislature, because they thought maybe they could cut out the tax bills that they were going to have to pay.

Commissioner WEINSTOCK. Are you sufficiently familiar——

Dr. McCORKLE. Familiar with what?

Chairman WALSH. Were you going to say something else, Mr. McCorkle?

Dr. McCORKLE. Yes, sir.

Chairman WALSH. Please finish it.

Dr. McCORKLE. Not only do you have farmers there that are working differently, but there was a big question of prohibition in the last election in Colorado. There were many people that have just as much right to believe in not having prohibition as I or you might believe in having it, and those people seem to have influenced the Democratic convention to make a declaration in favor of retaining the saloons in Colorado, or something of that sort, and Mr. Patterson had to bear the brunt of that. Now, after that was done, a systematic effort was made by all of these various companies that were profiting by the saloons, to get a prohibition vote, and even the Colorado Fuel & Iron Co. worked for prohibition. Not as I understand it, because they wanted prohibition, but because they were so vitally involved in this political struggle, that if they lost they felt that they would have to yield to the strike.

In fact, a man told me to whom Mr. Bowers spoke personally, that Mr. Bowers told him that they would have been defeated in Colorado if they had not carried that election. I have heard they spent \$2,000,000 on the strike and in the election. I don't know the part they spent on the election, but I fancy a very large part of the strike and election expenses went there, because they said unless they carried the election, Mr. Bowers said, unless they carried the election, they would lose the strike.

Now, they got behind the prohibition vote in order to bring things about in favor of prohibition, to vote for their side, and as I look upon this election, it is an election that was carried by means of that prohibition vote, in addition to urging the tax question among farmers, who were not informed as to conditions in the mines. A lot of bulletins were sent out to deceive the people. A man that was informed, and had studied in school like I had, and who would pick up those bulletins, he would realize the falsehood in them. We got a bulletin saying that, for instance, Mother Jones was getting \$40 a day, and some of them were getting \$80 and \$90 a day; it was claimed that it had come from the report of the treasurer of the United Mine Workers. I knew that it was not so. It was not long after that that I saw he article in the Survey, taking the actual figures from the treasurer's report, showing that to get the figures they had taken the salary and expenses of the man for a whole year, and added that together, and called it salary, and then had taken the expense in a second time, and published in their bulletin that this was what the treasurer's report showed that they got for nine weeks' work. Men that made them, had the figures before them, and people that can do that, can deceive the people of

Colorado in an election. Those falsehoods were circulated among the people. It was shown to be false in the Survey. Mr. Welborn, according to the testimony, in the paper admitted that it was untrue on the stand, but still the Colorado Fuel & Iron Co. did not rectify it. I have a large number of them, and there is that false bulletin in there, without any explanation. They waited until after the election, along in the winter, and finally I got a bulletin saying that they were misinformed, and that what they were now stating were the correct figures, and they gave the report as it was correctly.

There is a policy of deception carried on like that, and it will deceive the people until they get their eyes open as to what kind of regard a man has for the truth. I expect the bulletins at least to adhere to the truth. For instance, they said here is what the strikers have sent out to the people of Colorado, a call to rebellion. Now, the heading of that was not a call to rebellion, but a call to arms, and an appeal to arms in defense of their homes, and not to undertake to overthrow any government. They headed that falsely, and there are lots of other things that I know that are false, but they will be brought out some day. Men that can take the trouble, with the figures before them, on a page like that, and turn them around and make something else out of it and put it before the people, some of these days the farmers and all will know what regard they have for the truth, and then the Colorado Fuel & Iron Co. will have to spend more than \$2,000,000.

Commissioner HARRIMAN. In the election that Commissioner Weinstock mentioned, if there had been three parties, Democrat, Progressive, and Socialist in the election of Gov. Carlson over Senator Patterson, what would have been the result?

Dr. McCORKLE. I think there would have been a majority in favor of Gov. Carlson, anyhow, if all of the votes had been counted, but there is no question but what the division had this much to do with it, that they prevented those people from working together to get the votes, too.

Commissioner WEINSTOCK. Does not this fact remain, that the legislature passed a workmen's compensation act, which was in response to a demand on the part of the workers, that they knew that the employers were against it, and could they have passed that workmen's compensation act if the mine owners had owned the legislature?

Dr. McCORKLE. The Colorado Fuel & Iron Co. know very well that they can not own all of the legislatures in Colorado, and they know that the time is coming when political control will pass out of their hands. They have been doing in Colorado, I suppose, much like at Sunrise. It has been the custom at Sunrise that when a man got injured they would have him sign a release, releasing the company from all liability, and they wanted him to sign this release to the company before they would go ahead with their treatment, and when he did sign it they went ahead with his treatment, and I understand that they gave first aid beforehand; but while a man was needing help they demanded it, and in the last two or three years they have gotten this; the foreigners have learned that under the State law they don't have to sign it, and have refused to almost unanimously, in the last two or three years. Now, in southern Colorado they have not been paying damages, and sometimes when the political control passes out of the hands of these companies and if they have not the workmen's compensation law there will be an immense lot of damages and claims that they will have to pay. If they have a law like that to protect them, they will not have to pay them and it will limit the amount that they can be sued for. They are wise enough to see what is coming.

Commissioner WEINSTOCK. What are the mining conditions at this time in Colorado, Mr. McCorkle? Would you say that the State is still in the hands of political anarchists?

Dr. McCORKLE. I think it is. I am not sure about the governor. I think they probably took a better man for governor than they wanted, because of the fact that they were afraid if they didn't get him they wouldn't get anything at all. The fact that he vetoed the act of the legislature trying to abolish the courts of Judge Lindsey, who presides over the children's court—Judge Lindsey, who has done so much for the children—the fact that Gov. Carlson vetoed it, shows me that he had a little bit of independence, and that they did not actually rule him so thoroughly and so absolutely as they have ruled men before and as they have hoped to do with him.

Commissioner WEINSTOCK. Well, I suppose the governor of Colorado, as is the case of the governors in most of the States, is the real dominating power, isn't he?



Dr. McCORKLE. The governor of Colorado is the highest authority. As I understand, he has not all the powers that governors have in some of the other States. I think, for instance, if I remember rightly, in the matter of pardoning, he has not the liberty governors have in other States. I would not be sure about that, but I believe that is true. But he is the chief executive.

Commissioner WEINSTOCK. Would you call him a political anarchist?

Dr. McCORKLE. I said I did not know, but the fact that he vetoed the bill to get rid of Judge Lindsey leads me to hope he is not.

Commissioner WEINSTOCK. Then, do you know in what part of the administration the so-called political anarchy still remains?

Dr. McCORKLE. I think it resides in the legislature.

Commissioner WEINSTOCK. Despite the laws which that legislature passes, such as the workmen's compensation law, the creation of a welfare board, and the passage of the public inquiry act—you think, despite that progressive work, most of it in response to the demands of the workers, that the Legislature of Colorado is still a body of political anarchists?

Dr. McCORKLE. The amount of good that those measures will do the working people is negligible as long as the government remains in the hands of the coal company.

Commissioner WEINSTOCK. What is your ground for saying that the government of Colorado to-day remains in the hands of the coal company?

Dr. McCORKLE. Because every bill the coal company wanted, even to the bill abolishing Judge Lindsey's court—they hate Judge Lindsey like poison—even the bill to abolish Judge Lindsey's court was passed through the legislature.

Commissioner WEINSTOCK. It is your opinion, is it, then, that no act could have been passed in the legislature unless it met with the approval of the coal company?

Dr. McCORKLE. In my opinion, everything that passed that legislature was passed with the concurrence of the coal companies.

Commissioner WEINSTOCK. And you believe that the workmen's—and you believe that those political anarchists passed such legislation as the welfare commission, the workmen's compensation act, and the public inquiry act?

Dr. McCORKLE. They certainly would. They all want to get the name of having done something for the people without giving them the goods. It is a very nice thing to give them a good law. They have had lots of good laws, as Mr. Gaddis testified yesterday, in Colorado. But, then, the companies have control of the officers and are able to ignore the laws. Now, why shouldn't they give us welfare commission and public inquiry act and workmen's compensation laws? And if they have got the officers, whenever they see fit, they will give us some more nice laws on the statute books, and they can go out to the other States and say, "See, here is what we are doing for Colorado."

Commissioner WEINSTOCK. In other words, you have no confidence in the integrity of purpose on the part of the present administration of Colorado?

Dr. McCORKLE. I am afraid I haven't any.

Chairman WALSH. Mrs. Harriman has a question or two she would like to ask you.

Commissioner HARRIMAN. Mr. McCorkle, I would like to ask you, if a workman has a right to quit his job when he wants to, why would you say the employer has not the right to discharge workmen when he wants to?

Dr. McCORKLE. That question, I believe, was brought out and was given yesterday when Dr. Gaddis was testifying.

Nearly all industry is cooperative. It means that a good many men work together. Of course, it is possible for a man who is trained to plan and to manage business, never to manage any industry except the industry he has got the brawn and skill to furnish the labor to operate. And any man with brawn and skill may never go into business he has not brains enough to manage.

But most of us furnish either brawn and skill or we furnish education and the talents of management, and perhaps some money for operation. Now, here is the situation: Not only does the employer and the company owning the business make an investment in a given point, but the people who are working there have an actual investment. At Sunrise, Wyo., I think the average cost of a man leaving there and getting another job would be more than \$100; I should say \$200 per man on an average. They have got their household goods, which must be sold at a sacrifice, or moved at a high cost for freight. They have got all kinds of sacrifices to make when they give up their job. So that the workingman, even though he does not directly own an interest

in the plant, has a property right in the community. The employer, too, has property rights there. There is no use to go over that. We all admit that he has. Now, in working together, men with brawn and skill—labor, as we call it—on the one hand, and the men with the talent and training for the management of business on the other—employers, or whatever we may be pleased to call them—get into disputes as to how much of the returns from the industry as a whole are to go to the workingman in the way of wages and shop comforts and things of that sort, and how much are to go to the employer or the manager or the company in profits.

Well, there are six things that can be done.

The workingman can say, or the workingmen, working for the company, can say, "We will quit and go somewhere else and get us a job where we can make a living;" or the employer can say, "I will quit; take my money and go somewhere else and invest it, and start up an industry and make a living there." We say that the employee has a perfect right to quit and go somewhere else if he wants to. We say that the employer has a perfect right to take his investment and go somewhere else if he wants to.

Or, again, the dispute may involve so many men that it is not convenient for them to move elsewhere and seek to invest or secure work. Then the workman can say, "We will just stop work until we get this point settled. We are not going to go off and leave and hunt another job, but we are just going to stop work and wait until we come to an agreement. We do not feel that we can live at the present basis, but we believe that an agreement can be reached on a basis on which we can live." Or the employer—the company or its management can say, "Here, we are not getting enough out of this. We can't afford to go on as it is. We will quit work and close down the shop and wait until we can come to some kind of an agreement on which we can go on with the work. We don't want to go somewhere else and invest. We want to stay." We say they both have a right to do that.

Now, of course, the subsidiary provisions under both of those heads occur. For instance, the employer, the company manager, may say, "Well, if you fellows don't want to work I will send off and get some strikebreakers that will work until you get ready to work;" or, on the other hand, the workmen may get together and say, "Here, this industry ought to be going on. We will just have somebody put in here to manage this plant until the employers get ready to operate it themselves." I believe that was done at Cincinnati in the ice plants, when they closed down here about two or three years ago—that they actually, by official actions—it was not by the workmen themselves; it was not a private matter like the employer assumes to do when he gets the strike breakers; but it was going through the regular channels of government. They did have a manager appointed.

Commissioner WEINSTOCK. You mean for a municipal plant?

Dr. McCORKLE. No; private plants, where the men were on strike.

Commissioner WEINSTOCK. What did the government have to do with that?

Dr. McCORKLE. It was a health proposition. I remember reading about it at the time, but I have not spoken about it for a long time. The city health authorities, through the city administration, appointed managers for those ice plants and said to the men, "Here are your jobs, go ahead and work until the employers get ready to go to work." Just the same proposition as the employer bringing in a strike breaker, only in that case it was done through legal channels, and not as a private act. Now, those are the next two considerations—third and fourth—with possible variations.

Then in the next place it is possible for the employer, the company manager, to say to the working man, "I don't like the way you are working. I don't like the wages I am giving you," or give no reason at all—I think Mr. Weinstock asked Mr. Gaddis about that—to give no reason at all for the discharge, but just say to the men, "Here, get out of here. We don't want you here." "Get out of here. I am going to put somebody else in your place." And the workingman has an investment there. It maybe will cost him \$300 or maybe \$500 to move from that place elsewhere and get work. He has property interests in the district, and he has got to sell them and he can't move them. He can't get value for them. And if there are a number of workmen discharged at once, there is no sale for their individual homes, and they have got to sacrifice them, and their household goods, too, that they can not carry with them. A great many quitting at once, those goods become almost worthless. Their



property rights are ignored. They are driven out of the community, and sent elsewhere. And they destroy the property rights that the workingman has in the community. Or it is possible for the workingman to say to the company manager or to the company, "We are not satisfied with the way you are managing this business, and are not satisfied with the way you treat us," and it is possible for them to say, "Here, we don't have to give any reason, but we don't want you here at all. We want somebody else to manage this business," and make the manager of the company or the stockholders, or some of them or all of them move out and turn the business over to somebody else. Now, in that case, the employers' property rights would be disregarded, and it would be made to suffer loss just like the workingman has to do if he is discharged.

Now, it is my position that when the workingman is discharged without a just reason it is just as wrong morally and just as wrong legally, if justice were incorporated in our laws like it is going to be—it is just as wrong morally and as wrong legally for a workingman's property rights to be destroyed—say \$50,000 or \$100,000 worth of property—suppose there are a thousand men working in a place and they have all got to pull out and move when they don't feel like going to live at any other place, and they are discharged without any reason, and they have all got to move, and that would mean, at \$100 per man for a thousand men, \$100,000, or at \$200 apiece, \$200,000. A large part of that is destroyed for those men, from the fact of their being discharged. And I hold that the State has a right to step in and say, "Here," to the employer, "you have got no right to discharge these men without just and sufficient reason. They have property rights in this community, and we will protect them, and let them stay here." Or it may say to the workingman, when he wants to drive the employer out, or wants to drive the company manager out, "This company has a property right here. They are living in the community and working here, and have property rights. Now, you can't drive them out. You have got to give a good and sufficient reason before you can have the management of this company changed."

As I see it, there are just six propositions, and the difference between the right of a man—the rule works both ways in each case. Where you bring up the case of the workingman who quits of his own free will, and goes somewhere else to work, and the employer who quits business of his own free will and goes somewhere else and invests in industries, the rule works both ways.

Now, in the case where they could work, where the employees quit work, which is what we call a strike, and they say, "We won't work until they get this question settled." On the other hand, the employer, when he closes the shop down, says, "I am not making enough money, and I won't work until I can"; there the rule works both ways, and what is right for one is right for the other.

Now, where one undertakes, without assigning any reason, to destroy the property rights of the other—where the employer says to the employee, "Here, get out of here. Sell what you can, or anything, I don't care, just so you get out of here," he destroys the property rights of that employee. There the State has a right to step in and say, "Here, you can't do that." Or, if on the other hand, the employees say to the employer or to the management of the company, "We don't want you here and don't have to give any reason. Get out of here," why, the State has a right to step in and say, "You are wronging these men. You are destroying their property rights." And so the rule works both ways. I think Mr. Weinstock will find that answers the question that he put to Mr. Gaddis yesterday.

Commissioner HARRIMAN. You feel that the employer should retain a man regardless of his fitness for the job?

Dr. McCORKLE. I most certainly think that neither an employer who is not fit to manage the business, nor a workingman who is not fit to do the work, ought to be retained. I think the State ought to provide for removing men who are unfit for business on both sides.

Commissioner HARRIMAN. Well, who is to be the judge of the fitness?

Dr. McCORKLE. The judge of the fitness must be some disinterested third party; ought to be.

Commissioner HARRIMAN. As things are at present there is no such system?

Dr. McCORKLE. There has been nothing created to adjust these difficulties so far. We allow the employer to destroy the property rights of the workingman, and nothing is said; but the workingman to-day is not allowed to destroy the property rights of the employer. Of course the I. W. W. people believe

that the workingman ought to be free to destroy the rights of the employer when they want to, and set up somebody else without giving a reason. In my opinion, it would be far better to have a fair presentation of the situation before an impartial court; and by that I do not mean a court that is made up of anarchists, as I said—anarchists like you have got in Colorado—people that do not submit to the law and do not look for justice; but it should be a number of men who are fair and qualified to speak their opinion, and submit to them the question of the discharge of the employees, or the discharge of the management, either one, to those persons.

Commissioner HARRIMAN. Would a system of collective bargaining answer that purpose in industry?

Dr. McCORKLE. The effort to work between the labor unions on the one hand as an organization and the employers on the other? As I understand, that is what you mean by "collective bargaining"?

Commissioner HARRIMAN. Yes, sir.

Dr. McCORKLE. I think the system of collective bargaining has been the nearest approach to it. What we have gotten out of collective bargaining after all, as in the settlement of the coal strike, or in the mediation on the railroads, has been a board of arbitration, to whom these questions are actually referred. We are just beginning to feel our way in regard to the employers' discharge of the workmen. Now, there has been nothing developed for workmen's discharge of the employer who is not fit to manage the business; and I think the gentlemen on this commission, and, in fact, everyone here will say, that they have seen some employers or managers of business who they thought were not fit to do it, and needed to be turned off just as bad as unfit workmen.

Commissioner HARRIMAN. Mr. McCorkle, why do you think the workmen are so anxious to maintain the unions?

Dr. McCORKLE. Labor unions?

Commissioner HARRIMAN. Yes.

Dr. McCORKLE. Well, I think I have been through this experience more or less myself. I was very much afraid of unions, like a good many people on the farm are, when I was a boy. I thought they needed to be guided awfully close.

My study in college showed me some of the work the unions were doing for the welfare of the people. Then I got out and went to work in industries that were not organized. I went out on farms among the hoboos, as they are called—the fellows that wander from place to place and work in the harvest fields. I went into ditches and dug ditches and spent some months in Kansas and North Dakota. These men are nonunion men. Some had been union men in other trades. Many of them had never been in touch with the unions. I had not worked there very long until I realized that the nonunion men even realized that they must stand by each other. It had not been that way on the farm where I lived. We lived in a community of people who lived in one place, and if you worked for a man that was mean, people soon found it out that he was mean to his employees and he found it a hard matter getting anybody to work for him and you could quit any time and go hire to somebody that would treat you right. But I found out when I worked for these companies, particularly working in the ditches, that you had men over you that would pick up somebody else that did not know anything about the work, and that they had no public sentiment to restrain them. Men would come in there to work anyhow that did not have any chance to know whether they treated the men right or not. I found out that if the workmen did not stand by each other, nobody would stand by them. If you did not help your nonunion fellow workman out when he needed it, you would not really have any just claim to get him to help you out yourself when you needed it. So, as a matter of fact, I found there was a more or less silent union in the nonunion fields; that there is a strong sentiment among workmen; that the workman has practically come to see this. That was true among the ditch diggers and true among the hoboos on the farm. You must stand by the fellow workman first. It is particularly true among the ditch diggers. Men that have had experience in the union, as I have run across a good many of them or have several, in that connection—I have met with a great many union men since that time. They told me that the union, as a matter of fact, is the only show for the workingman. The fellow who don't stand by the unions, his wages will be so low his children will never amount to anything. If he lets the union be broken up it is ruin for his family. I have heard that time and time again from both nonunion and union workmen; that, as a matter of fact, if you want a living for your family and to have any show for your



children you have got to get in the union, where there is a chance to get enough to live on. It is the survival of the union man, that is what it is, or the children of the union man. That is the whole struggle. And union men have gradually come to feel toward their union just like you and I do toward our Government. Now Mr. Bowers—I have read some things he said and heard some things in Denver. Mr. Bowers is not very well satisfied with our Government. It has interfered with a lot of his liberties, the same as I feel that the Government has interfered with some of mine. I have no doubt that Mr. Bowers is perfectly sincere. Every one of us feels sometimes that the Government interferes with our liberties as it ought not to do. Well, we do not throw the Government over, because we say a man without a government does not have the chance to survive. There isn't any people without a government in historical times that has survived very long. We say, in spite of all the Government does that we do not want it to do—and I think Mr. Bowers would say that, too—we would rather have that Government than to have none.

Now, the union men and the nonunion men look around at the actual things occurring about us, and however much we may be displeased with the conditions that the union imposes and with the interference that it makes with some of the things we would like to be free to act in as we want to, as a matter of fact, if we are going to live at all and see our children live, we have got to get into the union. And in the nonunion communities, in the closed shop, where they have organized a union, as there in Sunrise and lots of other places I have been in, as a matter of fact, the nonunion man that is supposed to be so oppressed by the unions and so much in need of liberation is nearly always the hearty sympathizer with the union. And it is a spirit of loyalty like loyalty to your government. The union man is for his union when he feels some of the things they are doing are wrong, when they get into a struggle, just like the same thing that makes you fight for your government when it gets into a struggle; and you do it even if you think some of the things that it is doing are wrong; you stand for it still, because if you do not have a government you do not have a chance to live; and if you do not have a union, the workingman don't have a chance to live and educate his children.

Chairman WALSH. Commissioner Lennon desires to ask you some questions.

Commissioner LENNON. Just one line of questions, Dr. McCorkle: You were asked repeatedly along different lines as to whether or not the workmen of Colorado exhausted every possible means for a peaceful solution of these difficulties before any violations occurred. What is more fundamental that can be done by workmen in order to avoid any struggle—that is, any embodiment of violence—than to seek a conference through representative committees, with employers, to try to adjust their difficulties?

Dr. McCORKLE. I think that is the first and best thing to do. If I disagreed with a man, I would rather go to him face to face than to try to settle it through the officials; and I think he ought to meet me face to face. But it is not true at Sunrise. The people there want to meet with the officials of the company and present their grievances; and they are not allowed to do it. And as they have told me at Sunrise over and over again, "It would do no good if Mr. Rockefeller came here. He would never see us, and he would never get a word from us." He might see some men like that minister who wanted me to give him the names of all the people who had complained against anything the company had done, and he would have them discharged. He sees those men, but he does not see and does not have an opportunity to see the men that really want to present a complaint.

Commissioner LENNON. Do you know anything of the history of the efforts made by the miners of Colorado, through the governor and through prominent citizens of the State, and through every means within their reach to have a conference with the operators?

Dr. McCORKLE. I read of it at the time. I had it in mind when I spoke to Mr. Weinstock a while ago.

Commissioner LENNON. You have reason to believe that they exhausted their resources in that way?

Dr. McCORKLE. I believe they did everything they could to get the men to meet with them and sent them registered letters which were returned, marked "Refused."

Commissioner LENNON. Do you know something—you brought it out in part—of the effort that had been made by the miners of Colorado, union and nonunion,

for years to secure legislation governing their class of work which, after having been secured, was not enforced?

Dr. McCORKLE. I know that they got the 8-hour day. I heard about it when I was working down at Raton, N. Mex. They had an 8-hour day up there, but the company worked them 10 hours, just the same.

Commissioner LENNON. Now, after such laws have been enacted, who are in the position to enforce the laws, the employers or are the men?

Dr. McCORKLE. The men are certainly in no position to enforce them. If you take the situation at Sunrise—the constable and deputy sheriff is a company foreman; and the people would not think of trying to get any enforcement of the law through him. As a matter of fact, if you were to undertake to get a prosecution of the company for its abuses, being a resident of a closed camp like Sunrise, before the prosecution could come up, you would be put out of the camp and be going down the line hunting a place to get bread for your family; so you couldn't do anything.

Commissioner LENNON. But, take laws like those to which we are referring, isn't it within the power of the proprietor of an industry to enforce these laws without the intervention of constables and marshalls and deputies and other kinds of officials?

Dr. McCORKLE. It is within their power. They would simply have to give orders to the superintendent in regard to an eight-hour law or permitting the men to have check weighmen, and things of that sort.

Commissioner LENNON. Have you seen a copy of the compensation law that was recently passed in Colorado?

Dr. McCORKLE. I have not had an opportunity of reading that. I have had the Wyoming compensation law, and it gives a very low compensation, it seems to me. I know I would not want to be cut up and—

Commissioner LENNON (interrupting). Not only gives a very low compensation, but has several provisions in it that makes it inapplicable in many instances. I know it is considered by experts as the poorest attempt at such a law ever passed in the United States. That is all I desire to ask, Mr. Chairman.

Chairman WALSH. Mr. O'Connell, did you have some questions you desired to ask?

Commissioner O'CONNELL. I want to go back to the mines awhile, Doctor, with you; back to your home.

Dr. McCORKLE. Yes.

Commissioner O'CONNELL. I understood you to say that the mines at Sunrise were closed to union men?

Dr. McCORKLE. The railroad shops, as I say, have to employ union men, because they can not get anybody else; but the mines are closed to them.

Commissioner O'CONNELL. You speak of the railroads. Those are operated by the general railroads running in there?

Dr. McCORKLE. Yes; well, not the general railroads, but this is the Colorado & Wyoming Railroad, and they used to have tolerably cheap fare 6 miles down to Guernsey; but the prices were cheaper at Guernsey—

Commissioner O'CONNELL. Well, now, doctor, we want go into a discussion of incidentals. I want to stick right to the very point and get through. The railroads deal with the railroad employees because they have some general arrangement with the general railroad organization.

Dr. McCORKLE. They are members of the general organization.

Commissioner O'CONNELL. Now, then, we will leave out the railroad men; but the mines where the miners work, they are closed to union men?

Dr. McCORKLE. They are closed to union men.

Commissioner O'CONNELL. Then, this is what you have commonly heard called here and elsewhere the so-called open shop where it is supposed that both union and nonunion men are employed.

Dr. McCORKLE. That is another fallacy. The difficulty is that it is not open for union men.

Commissioner O'CONNELL. But only for nonunion men?

Dr. McCORKLE. Better not let it be known that you are a union man.

Commissioner O'CONNELL. You would not be permitted to have employment there if it was known that you were a union man?

Dr. McCORKLE. No, sir; not at all.

Commissioner O'CONNELL. So the mine there is nonunion in every sense?

Dr. McCORKLE. Yes, sir.

Commissioner O'CONNELL. Have you made any investigation as to the income of the doctor at Sunrise?



Dr. McCORKLE. I have not had any definite way of getting at the exact facts, all I know is what was told me. I was told by different men that he is making more money than anybody in the town, that his income is by far the biggest in the whole community. They tell me, I don't know whether it is true or not, that he gets \$100 a month out of this \$1 a month paid in by the men. Take 300 workmen; there is \$300 going to the company for hospital fees and things of that sort, and they really are entitled to medical attention, and some of them get it, and there are some of them don't, as I understand it. The men who work in the mines do, but their families are not entitled to anything free.

Commissioner O'CONNELL. Now, about the doctor's income?

Dr. McCORKLE. About the doctor's income, I understand out of that he is paid, I think he gets monthly \$100, the people have told me that, but I don't know. It is only hearsay.

Commissioner O'CONNELL. You don't know?

Dr. McCORKLE. No, sir.

Commissioner O'CONNELL. Have you heard anybody estimate what his income was?

Dr. McCORKLE. I have heard nobody estimate it, but I will tell you this, that there are a great many families, growing families—there are a great many cases that bring him \$25 and some \$50, and his income must be large, it could not be otherwise.

Commissioner O'CONNELL. Now, could you make us an approximation of what you think his income is annually?

Dr. McCORKLE. Well, I would say that he is getting, if I were going to estimate it, I would say he gets around \$4,000 a year.

Commissioner O'CONNELL. Is he a young man?

Dr. McCORKLE. A middle-aged man.

Commissioner O'CONNELL. Did he begin his practice there or come there after graduating?

Dr. McCORKLE. He came there after having had quite a bit of experience. I understand that he worked in the Philippine Islands with the soldiers. He is a good surgeon, and I have heard that he administered chloroform in two or three thousand cases before he came there.

Commissioner O'CONNELL. Now you say that the company conducts a sort of banking system in the store there?

Dr. McCORKLE. Yes, sir; they do.

Commissioner O'CONNELL. Is there any other bank in the town?

Dr. McCORKLE. Nothing except the postal savings bank.

Commissioner O'CONNELL. That is a Government institution?

Dr. McCORKLE. And in it, as I said awhile ago, one young man—

Commissioner O'CONNELL. Yes; I understand; you told us about that.

Dr. McCORKLE. Yes, sir.

Commissioner O'CONNELL. Then the workmen have a choice of two propositions, either putting their money into the company store bank, so called, or taking a certificate at the post office, and that the post office is in the company store, and the postmaster is the storekeeper?

Dr. McCORKLE. Yes, sir; but here is another thing, it is not really a bank at the store. They give you a sort of a note, a promise to pay you on demand, and they will pay you a certain amount of interest on it.

Commissioner O'CONNELL. I was going to ask you whether they did or did not pay interest.

Dr. McCORKLE. It is not a bank in the true sense of the word.

Commissioner O'CONNELL. They do agree to pay the workmen interest that make deposits there?

Dr. McCORKLE. I know that a great many have sent their money back to Greece and Italy, because they were afraid to leave it there in that place.

Commissioner O'CONNELL. Do you understand what interest they pay?

Dr. McCORKLE. I understand 4 per cent.

Commissioner O'CONNELL. Have you any idea of the number of men that deposit money in the store?

Dr. McCORKLE. I have never investigated it. I know that the ones that do it have about \$200 or \$300 limit, or most of them; they usually draw it out and they send it to the banks in the old country when they get above that.

Commissioner O'CONNELL. Now you say that the company has in operation the check-off system in so far as it applies to doctors, to bills that are run in the store, including the gambling system that was in effect there?

Dr. McCORKLE. I will say this about the check-off in the store: There is a State law, it seems, that it is restricted, and therefore they have to get a man to sign up an agreement to turn his salary over at the store before they can collect it out of his wages.

Commissioner O'CONNELL. Simply makes an assignment of it?

Dr. McCORKLE. In the doctor's case he makes no assignment, but in the store case he makes an assignment of his wages to the store before they allow him credit. Of course they have not asked me to do that; I have never gone in any stronger than \$10 or \$15 at a time, and only for a few days.

Commissioner O'CONNELL. You run an account at the company store?

Dr. McCORKLE. Oh, yes; I have run there for about two weeks for \$12 or \$15.

Commissioner O'CONNELL. They can not take their check-off out of your salary, because it don't come from them?

Dr. McCORKLE. No, sir; but they demand it from the men before they let them have credit.

Commissioner O'CONNELL. Now, they do practice and have practiced the check-off system in so far as the hospital fees are concerned of \$1 a month?

Dr. McCORKLE. Yes, sir.

Commissioner O'CONNELL. And the doctors check off for themselves?

Dr. McCORKLE. Yes, sir; whatever he wishes.

Commissioner O'CONNELL. Now, one of the causes of the strike in Colorado, as I understand it, one of the demands of the men was that the mines would be unionized and they should have the check-off system; that is, that the miners, the company should pay the dues of the miners out of their earnings to the organization, just the same as it is done by paying the hospital dues of the members and the doctor's fee, out of the men's money before they turn over the balance to him? In that sense they have the check-off system, but in the sense of permitting the men to have a check off, as far as dues in their organizations were concerned; they would not agree to that, and that was one of the claims of the men in the Colorado strike?

Dr. McCORKLE. I have never heard of a company being worried about the check-off system when they were getting the money. They would not let the men check off money for the union, but they certainly exercise absolute freedom in checking off for themselves, and I think they would do it in regard to the stores if allowed to by the State law.

Commissioner O'CONNELL. Now, Commissioner Weinstock—

Dr. McCORKLE (interrupting). I will say this about the check-off system: All I know is, take a man that had sickness and was in bad shape, and he was in debt about \$60 or \$70 at the company store, and they made him turn over his entire salary—didn't leave him any money for a postage stamp. He could not get any spare change to get anything else outside. Of course, a man like that is absolutely helpless. He had to give his whole salary to the store until he got it paid up—not salary, but wages.

Commissioner O'CONNELL. The company simply took what was properly due them, the debt that the man had incurred at the store? It was a business proposition?

Dr. McCORKLE. Yes, sir; but there is no margin left the man for incidentals. There was not at least for this man, and they thought it was a very grave injustice.

Commissioner O'CONNELL. Now, I want to discuss with you a second the question discussed with you by Commissioner Weinstock, as to the men arming themselves, and the general insurrection that took place in Colorado. I take it that you are familiar with that, because of the way you discussed it with Commissioner Weinstock, and he pointed out that the strike of the miners took place September 23d?

Dr. McCORKLE. Yes, sir.

Commissioner O'CONNELL. And that the miners bought all of the arms that they could get and ammunition about September 10?

Dr. McCORKLE. Yes, sir; the 12th.

Commissioner O'CONNELL. Indicating that the miners were preparing for war some 10 or 11 days before the strike occurred?

Dr. McCORKLE. Yes, sir.

Commissioner O'CONNELL. Do you know that the sheriff, Jeff Farr, issued 328 deputy sheriff commissions about September 1?

Dr. McCORKLE. I have read that in the testimony that was brought out before this commission. I had heard it before.



Commissioner O'CONNELL. And you understood that it was the duty of a deputy sheriff—the right of the sheriff when commissioning deputy sheriffs, that he is the officer who should arm them and give them everything necessary, the necessary tools of the occupation they are following—the proper gun, if that is necessary, a revolver, or such things as officers of the law do carry? The sheriff would be the proper person to do that?

Dr. McCORKLE. I am not absolutely sure whether the law requires it in Colorado or not, but every place that I have ever been that is expected—that the sheriff arm his deputies.

Commissioner O'CONNELL. Now, do you know that there were 328 deputies that Sheriff Farr appointed that immediately were turned over to the Colorado Fuel & Iron Co., and that they armed them; that a private concern armed the officers of the State?

Dr. McCORKLE. I read of it at the time, and later read it in the testimony before this commission.

Commissioner O'CONNELL. And therefore 10 or 12 days before the miners bought their arms that has been spoken of, or armed themselves, that the sheriff of one county at least had deputized 328 deputy sheriffs, and they were armed by the officers of the coal company in that county, and put around their land, and it was probably the opinion of the miners that these men were being armed for a purpose, and knowing something of the record of men that are appointed usually as deputy sheriffs, picked up haphazard, without any knowledge by the sheriff, that was acknowledged by Sheriff Farr before this commission, that he made no investigation as to the personnel, where they came from, whether they were citizens of Colorado or not, and he didn't care, and didn't know where they practically went, or where they were employed after he had appointed them, that he had made no investigation, and had no record of them in his office, but he simply appointed them and turned them over to a private corporation, which armed them, and they must have taken it that they were armed and turned over for a purpose, and that purpose to your mind was what?

Dr. McCORKLE. The purpose of arming those men was to intimidate the working men, so that they would not call a strike, and if they did call a strike to be forced to settle it at the company's terms by using violence against them to intimidate them and make them afraid. The company, as the miners well know, do not spend their money without a purpose. They don't buy high-priced deadly guns for more than 300 men unless they have an object in view to make the money back. They expect to make the money back out of the advantage they get in the settlement that they would make with their men in their employ that were forced into their employ by the guns of these deputy sheriffs.

Commissioner O'CONNELL. But the miners from past experience in the northern part of Colorado, where they had had trouble a few years before from their experience there in a strike lasting for months, their experience there was evidence to them that these men were being appointed for a similar purpose, and that it would be necessary for them to arm themselves, not to go out and fight these men, but to protect their homes and their wives and children and themselves against the invasion of these men, and it was further evidenced that these men would do what they did do, without warrant search the homes of these miners for firearms, tear up the floors in their houses, tear their beds apart, to ascertain if they had hidden away firearms of any kind, that all of these things in their mind would recur in this struggle, and that there was nothing left but for them to meet force with force?

Dr. McCORKLE. I have never heard anything from the miners themselves. The miners at Sunrise, some of them, had relatives that they lost in that struggle, but I never heard any of them say anything except that they armed to protect themselves, that they had had trouble before. I remember when I was at Raton, N. Mex., three or four years before, they told me the gunmen went into the homes and searched them and tore up the beds to find traces of union literature. And they would go to men's homes when they were not there and intimidate their wives, and do whatever they pleased, and the only idea in getting guns was to protect themselves and their families, particularly their families, against murderous assaults on the part of these men that this company had already hired. They were peaceable workingmen that tried to make their living by honest labor, by the very labor that made it possible for these men to accumulate money in southern Colorado; they had been working all these years, but the men that they hired to intimidate them had been marauders

and stealing, and everything of the sort, and had been trained in crime, getting prepared or being prepared by the company that hired them. It was a fight of honest working people, forced to defend their homes against the most vicious criminals you can bring in, to make trouble, so that the company can settle the strike in its own favor.

Commissioner O'CONNELL. Speaking about anarchy, of the situation, I take it by anarchy you mean failure of the courts to properly carry out the functions of the courts? To dispense justice? Now, you don't mean by anarchy some one going out and knocking some one down in the street, but what you mean is the anarchy of the distribution of the law?

Dr. McCORKLE. Yes, sir; it is used in different terms.

Commissioner O'CONNELL. Now, do you remember in Las Animas County, in 23 years, there never was a conviction in any of the courts? That a company had never been convicted in a case of death of an employee for 23 years in that county? Is it possible that all of the deaths that have taken place in and about the mines in Las Animas County in 23 years that that company would not in some way be responsible for some of those deaths, in carelessness or negligence or something else?

Dr. McCORKLE. I think everybody knows that it is responsible that lives there. They will all tell you so. Like that case at Starkville that I mentioned. Now, there is no doubt but what the company was guilty, but Mr. Fitch found out when he was down there the coroner would not investigate.

Commissioner O'CONNELL. I was coming to that in a moment.

Dr. McCORKLE. Yes, sir.

Commissioner O'CONNELL. Now, is it not possible that judges might even make a mistake in finding the company guilty in 23 years—accidentally do it?

Dr. McCORKLE. Well, if he got his salary from the company or accepted a dividend he might not make a mistake; it would cut off his dividend.

Commissioner O'CONNELL. Might he not accidentally do something so that the company would be found guilty?

Dr. McCORKLE. If he was a judge who was not actually in the pay of the company to find a decision for them? They are given their office by the company in order that they would never let any judgment be registered against the company, and I think he might have made a mistake in their favor, as I understand it, and in fact I have heard repeatedly in many cases, in most cases, they are never allowed to get as far as the judge. They simply don't let anything be known. If a man would testify in a case he would be sent out of the community so quick he would not have anything to live on.

Commissioner O'CONNELL. There was a list furnished this commission in Denver showing the number of accidental deaths that have taken place and the basis on which most of them were settled.

Dr. McCORKLE. Yes, sir.

Commissioner O'CONNELL. I think the average amount was about \$300 a life, or the basis upon which they were settled.

Dr. McCORKLE. Yes, sir.

Commissioner O'CONNELL. Now, do you know that one of the judges who presided at this court in Las Animas County—I don't know how many years, but for some years—is now the attorney—George Northcutt—is now attorney and has been trying recently cases in Colorado for the Colorado Fuel & Iron Co.?

Dr. McCORKLE. I am aware that he is now in the employ of the company.

Commissioner O'CONNELL. And he was on the bench when a number of these cases came before him?

Dr. McCORKLE. Yes, sir.

Commissioner O'CONNELL. And that the company was held not responsible, not guilty of negligence, in connection with deaths?

Dr. McCORKLE. Yes, sir.

Commissioner O'CONNELL. And that Judge Northcutt was the man that made that speech denouncing in a political campaign the Colorado Fuel & Iron Co., charging them with every offense, practically, and otherwise in the State of Colorado?

Dr. McCORKLE. It is my opinion when he made that speech he wanted a little bigger divide up with the company.

Commissioner O'CONNELL. And when George Northcutt was on the bench that his law partner was then the attorney for the Colorado Fuel & Iron Co. in Las Animas County?

Dr. McCORKLE. I don't believe I knew that.



Commissioner O'CONNELL. The chairman corrects me. Judge Northcutt's partner succeeded Judge Northcutt as judge on the bench after he got off.

Coming back to Sunrise. I want to discuss a little the rents and living with you. You say you pay for your house \$10.50 a month?

Dr. McCORKLE. Yes, sir; that includes electric light on a flat rate and water. I have a hydrant in my house.

Commissioner O'CONNELL. Do you have a bathroom?

Dr. McCORKLE. There are only two or three bathrooms in Sunrise.

Commissioner O'CONNELL. Do all your people go to those two or three bathrooms?

Dr. McCORKLE. That was one of the reasons why we wanted a hall, so as to have a bathroom put in in connection with it. They were willing to pay for it; they didn't want it free.

Commissioner O'CONNELL. What would this house that you live in be worth? What is it worth; the real value?

Dr. McCORKLE. This college man, as I said, an expert, a graduate from one of the best institutions in our country—I won't speak of it for I don't want to make trouble for him—but he told me they were not worth over \$200 or \$300. I think the highest estimate I have heard is \$700. My own estimate would be about \$450.

Commissioner O'CONNELL. Say, \$500?

Dr. McCORKLE. Yes; about.

Commissioner O'CONNELL. Five hundred dollars to the house?

Dr. McCORKLE. Yes, sir.

Commissioner O'CONNELL. You are speaking of the houses alone?

Dr. McCORKLE. The land of course is practically worthless, and could not be put to any other use.

Commissioner O'CONNELL. Is the land mined underneath?

Dr. McCORKLE. No, sir; it is not mined.

Commissioner O'CONNELL. Is this property connected with the coal-mining operation?

Dr. McCORKLE. Yes, sir.

Commissioner O'CONNELL. It would be of no value without the mine there?

Dr. McCORKLE. No, sir.

Commissioner O'CONNELL. So if the property cost \$500, or cost \$500 to build a house and you paid \$10.50 a month for it—

Dr. McCORKLE. I think I heard them say that they counted the rent for the house \$8, and the rent for light and water, \$2.50.

Commissioner O'CONNELL. The highest value you could put on it would be \$500, that would be \$10 a month rent, would be \$120 a year, that would be 24 per cent on \$500.

Dr. McCORKLE. If you take \$8, I understand that is the rate, and \$2.50 for water and light, but you take \$8 a month would be \$96 for the whole year, so even that is a high interest.

Commissioner O'CONNELL. That would be approximately 20 per cent.

Dr. McCORKLE. Yes, sir.

Commissioner O'CONNELL. How many houses are there in Sunrise?

Dr. McCORKLE. Well, there are, I forget the number exactly; I have a map of the place here, but I would say about 100 altogether. There are not 100 four-room houses, though.

Commissioner O'CONNELL. They are about half and half?

Dr. McCORKLE. No, sir; mostly four-room houses. I think there are about 70 or 80, but I can not remember exactly. I can count them up in a little while.

Commissioner O'CONNELL. The income from the house rent in that town would probably be a thousand dollars a month, approximately? For 100 families or more?

Dr. McCORKLE. Yes, sir; fully that.

Commissioner O'CONNELL. Including the stores and other things that might be there?

Dr. McCORKLE. Not including the store; it is fully \$100 a month.

Commissioner O'CONNELL. Then, there are some offices in the town rented? Do you have a dentist in the town, or does the doctor do the dentist work?

Dr. McCORKLE. The dentist comes there and rents a little room, and works every two or three or five or six months.

Commissioner O'CONNELL. Do you have a barber shop in the town, or does everybody do their own barbering?

Dr. McCORKLE. They have a barber shop in the town with a bathroom for men that is usually in operation. I will say this, too, that the workingmen have a good washhouse. It is a good house, with a shower bath.

Commissioner O'CONNELL. Now, as I take it the opportunity of social life in Sunrise are, first, you have a little church?

Dr. McCORKLE. Yes, sir.

Commissioner O'CONNELL. One church?

Dr. McCORKLE. Yes, sir.

Commissioner O'CONNELL. Which can only be used for the purpose for which your denomination stands for?

Dr. McCORKLE. They don't allow other denominations to use it.

Commissioner O'CONNELL. There are no other churches there but your little one?

Dr. McCORKLE. That is all.

Commissioner O'CONNELL. Then there is a doctor in the town. Is there a hospital in the town?

Dr. McCORKLE. There is no hospital; that is one of the things that we ought to have by all means.

Commissioner O'CONNELL. You have not got it now?

Dr. McCORKLE. No, sir; we have not got it.

Commissioner O'CONNELL. Then a dentist that comes occasionally to look after the teeth of the community?

Dr. McCORKLE. Yes, sir; there has been one there once in the last eight months.

Commissioner O'CONNELL. I would imagine he would be pretty busy when he does come down there.

Dr. McCORKLE. He was busy for four or five days.

Commissioner O'CONNELL. You have a picture show on Saturday and Monday, you say, in the church?

Dr. McCORKLE. That Mr. Gaddis helped; we got one in the church——

Commissioner O'CONNELL. You explained how you got it.

Dr. McCORKLE. Since September we have been having two shows, and since about the 1st of January we have had different reels on the two nights.

Commissioner O'CONNELL. Now, you have a picture show twice a week?

Dr. McCORKLE. Yes, sir.

Commissioner O'CONNELL. Now, you have a church and a picture show in the church twice a week, and a doctor in the village, and a dentist that comes there occasionally?

Dr. McCORKLE. Yes, sir.

Commissioner O'CONNELL. And you have a dance occasionally in the church, or some other place?

Dr. McCORKLE. We have a dance in the hall.

Commissioner O'CONNELL. In the church hall?

Dr. McCORKLE. No; I said we had a little hall that was suitable for dances.

Commissioner O'CONNELL. And you have a little place that you have dances?

Dr. McCORKLE. Yes, sir.

Commissioner O'CONNELL. Do you have dances often?

Dr. McCORKLE. Before the motion-picture show we had them very frequently, but usually now about once a month.

Commissioner O'CONNELL. Now, what other amusement have you, or places where you could have amusement? Say, in the wintertime, when you can not very well get out?

Dr. McCORKLE. In the summer time by going a mile on the hill they have a place to play ball. Since the agitation has been going on in Sunrise, I heard that the company has given orders for a playground to be made down near the school building for baseball. But I heard later that it was not going to be done, that they changed, and now whether it will be done or not, I don't know. There is nothing in the wintertime, and as these men said, unless you go to the saloon at Hartville, where a man can spend his idle time, there is nothing to do. A few of them sit around the barber shop, a few of them only can sit there, perhaps a dozen.

Commissioner O'CONNELL. Now, as I gather, the home life in your village—you say there are about 500 people there altogether?

Dr. McCORKLE. Yes. Let me mention one thing else in this connection before we go further; that is, that there are several lodges, fraternal organizations there; they had the Odd Fellows' encampment, and the Odd Fellows' ordinary lodge, the lower organization; the Rebeccas; they have the Woodmen of the



World, and the Royal Neighbors; they have the Eagles, and the Greeks have a society called the Sophocles.

Commissioner O'CONNELL. Where do these societies meet?

Dr. McCORKLE. In the loft over the company's stables. The Odd Fellows, Rebeccas, Royal Neighbors, and Woodmen meet there, and some of the others go to Hartville and rent a part of the saloon building there. They do not like to do it, but they have no other place to go. The Dante Alighieri, among the Italian people, they got together and built a hall at Hartville, near Sunrise, where they could get away from the saloon and have the hall under the control of their society.

Commissioner O'CONNELL. Now, summing up, as I understand your home life, you have got an absolutely nonunion town, in so far as the company is concerned. There may be union men there probably—by the way, are you a member of the union?

Dr. McCORKLE. I joined the union in 1910, in Billings, Mont., when I was working there on the streets for about six weeks, but I did not keep up my dues only for a month or two after I left there.

Commissioner O'CONNELL. So you are not now a member?

Dr. McCORKLE. No; I am not now a member.

Commissioner O'CONNELL. So you would not know the things that go on inside of the union?

Dr. McCORKLE. No; I would not know.

Commissioner O'CONNELL. You have about 500 people in your community?

Dr. McCORKLE. Yes.

Commissioner O'CONNELL. And they are all employees, those who are employed, in this mine owned by the Colorado Fuel & Iron Co.?

Dr. McCORKLE. Yes; all of them.

Commissioner O'CONNELL. There is no other employment in the city at all?

Dr. McCORKLE. I am the only man in the town that does not draw his money from the company.

Commissioner O'CONNELL. And the opportunities for amusement in the town are going to church occasionally on Sunday; that is, those who want to go to church, and those who do not believe in that way of celebrating do not have any amusement?

Dr. McCORKLE. Before we got our motion pictures in Sunrise one of the annoying things was our young people going over to Hartville, where the saloon put in moving-picture reels in the back and charged 25 cents.

Commissioner O'CONNELL. That was in opposition to your moving-picture show?

Dr. McCORKLE. No; before we put ours in. And our boys would go there and spend 25 cents or more for drinks. In that way the boys were beginning to drink and get drunk, and that is the reason I put the question up to Mr. Gaddis.

Commissioner O'CONNELL. You have the picture place now and the church and the hall where you have a dance occasionally, and you have some societies that meet over the stable, or in some garret in a barn?

Dr. McCORKLE. Yes.

Commissioner O'CONNELL. And this is an absolutely nonunion town; you have no place where men meet as union men for the purpose of sitting down and calmly and collectively considering their industrial life at all?

Dr. McCORKLE. No place at all.

Commissioner O'CONNELL. So that when men are not employed during any part of the day—do they work night?

Dr. McCORKLE. Not now.

Commissioner O'CONNELL. When they are not employed during the day, after they get home from their work, they sit around home, and if their home is not a very pleasant place they seek their pleasure elsewhere; the church is not open every night; you do not have service every night?

Dr. McCORKLE. Only on Sunday night.

Commissioner O'CONNELL. So possibly they go to the other little towns where the saloons are open—nothing else is going on—or else they sit down in bunches on the street corner, or in a barber shop or on some vacant lot, and they grumble and growl and talk to each other about the darn things being wrong, and how they are living, and sort of brooding and breeding hatred toward people; there is a sort of something growing in them; they do not know just what it is, but something is boiling up in their systems; there is a sort of resentment within, and a spirit of rebellion. Don't you find that situation?

Dr. McCORKLE. There is very little sitting about in groups. A few may be found on the store porch, but the groups are mostly at Hartville around the saloons. The men are usually tired enough to try to get some rest after they get back from their work on the regular days. It is only when they are out of a job, when the work is slack, or on Saturday night, or something like that, that they feel there is a lack of places to go to; but there is a bitterness and feeling that the company won't do anything for their welfare and won't give them places to go to.

Commissioner O'CONNELL. Do you think the men work so hard that all they think of is going home and going to bed? Is that all the ambition they have in life?

Dr. McCORKLE. Most of them told me that is all they have a chance to do, before I got there, but they do enjoy the motion pictures and go to them in great numbers. They want something to go to.

Commissioner O'CONNELL. Do you have in the State of Wyoming the referendum and recall?

Dr. McCORKLE. No, sir; I believe not.

Commissioner O'CONNELL. So the application that Mr. Weinstock put on your opportunity to get judges out in Wyoming, or displace them, does not apply in regard to the citizens of Wyoming; they do not have that power in their hands?

Dr. McCORKLE. No, sir.

Commissioner O'CONNELL. Then, this final question: Do you believe that the workman has a right to work under any condition for whoever he pleases, and for whatever wage he pleases, regardless of the industrial life surrounding him, indifferent to the possibility of accident, without consideration for his fellow workmen, simply because the employer says, "I have the right to discharge and you have the right to quit"?

Dr. McCORKLE. I do not think that a workman has a right to disregard the life of the fellow alongside of him. I have worked in nonunion places where the man alongside of me would be discriminated against, and I felt it was not right for me to work there and let him be discriminated against, and that I ought to help protect him; maybe he has a family.

Commissioner O'CONNELL. Outside of that—you don't catch the phase of it that I want you to catch. Do you think you have the moral right, if I quit my job because I think it is not paying me enough, that you have the moral right to come along and accept the position at one or two dollars, or whatever the employer wants to pay you, less than I was formerly getting; do you think you have the right to take the place of myself, or of any man that went on a strike, for no other reason than to get the employer to carry out the laws of the State as to wages and hours of labor, and as a protest that we should not be compelled to trade at the company store unless we wished; that the mines shall be properly inspected under the laws of the State; and that the hours of labor shall be as provided under the law; do you feel that you have the right, regardless of whether these things were complied with, to take my place?

Dr. McCORKLE. I think it is pretty nearly next to murder to do it; most of the nonunion men I have worked with, that did not belong to the unions, feel about the same way, that a man who will go in and take a workman's place who is on strike, when that workman is protesting against injustice, is looked upon as in the lowest depths a man can go.

Commissioner O'CONNELL. That is all.

Chairman WALSH. Commissioner Weinstock says he has some further interrogatories. [Laughter.] Ladies and gentlemen, I desire to say that we must have strict order, and if there is any audible expression of feeling in any way, we will have to invite whoever does it to leave.

Commissioner WEINSTOCK. Will you tell us whether the eight-hour day is still being violated in Colorado?

Dr. McCORKLE. I have heard reports which lead me to believe that it is not being violated now. I have not heard that it is being violated.

Commissioner WEINSTOCK. Have you any means of knowing how long the law has been observed?

Dr. McCORKLE. Why, I have heard they began to observe it about the time that the talk of this strike arose—well, I think perhaps at the time, or a little before the time the strike was voted for at Sunrise, and they did not have it because they could not get a unanimous agreement on it.

Commissioner WEINSTOCK. That was a year and one-half ago?



Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. You were pointing out that the mine operators employed gunmen to intimidate the strikers?

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. And you consider that wrong, of course?

Dr. McCORKLE. I do.

Commissioner WEINSTOCK. You also pointed out, a little while ago, a very interesting philosophy, new to me, and all the more interesting on that account, as to the relationship that ought to exist between employers on the one hand and workers on the other hand.

Dr. McCORKLE. What is that?

Commissioner WEINSTOCK. I will recite it. You started out with the premise that the scales should be equally balanced?

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. And that one side should have no advantage that the other side was not permitted to enjoy?

Dr. McCORKLE. No, sir.

Commissioner WEINSTOCK. That there should be no special or favored legislation?

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. That both should start out on an equality?

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. I do not think anyone can take issue with that, as a premise. Now, if it was wrong for the employers to employ gunmen to intimidate the strikers, what about the attitude on the part of the workmen, of renting spaces controlling the entries into guarded towns or cities or whatever you call them, to intimidate the so-called strike breakers?

Dr. McCORKLE. Do you mean to say that they did that to intimidate them?

Commissioner WEINSTOCK. I think the record shows that they took positions—that they took possession of ground that controlled the entrances, and that the purpose in so doing was to prevent the strike breakers from taking their places.

Dr. McCORKLE. Let us see the situation there; was that before closed or open camps?

Commissioner WEINSTOCK. I could not say that of my own knowledge.

Dr. McCORKLE. If those were only before closed camps—in other words, the company said to the men leaving there, and whose property rights were absolutely disregarded, it told them to get out of there, that it did not want them in there, and making them go out as they did there, and some went out who were allowed to go back and get their household goods; but it did not leave men there to tell the men coming in to take the places of these men that there was even a strike in progress. If they had left men there to tell the new men that came on, "There is a strike on and we don't believe you should go in and take these jobs," it would have been different; but they said to these men, "Get out, and get as far away as you can; we are going to bring these men in here"; and they brought men in ignorant of the situation and thinking that the strike was settled. They brought them in without a chance to see any of the men that were displaced. Then the striking miners did the best they could to get an opportunity to see these men and try to persuade them not to take their positions, as they would have done if there had not been violence on the part of the company in shooting up their tents first; they wanted to persuade those men peaceably not to go in there.

Commissioner WEINSTOCK. Are you familiar enough with the Colorado law—I confess I am not—to know whether the law provides that an employer must publish the fact that a strike is going on at his place if he notifies people to come there and take the places of strikers?

Dr. McCORKLE. I think that is in the record, under the Colorado law, but I am not sure.

Commissioner WEINSTOCK. Do you know, Mr. Walsh?

Chairman WALSH. My recollection is that there is such a law in Colorado.

Commissioner WEINSTOCK. If there is, the so-called strike breakers must have known they were going into a territory where a strike was going on.

Dr. McCORKLE. Many men would be brought in who would not be able to read the advertisement, but would merely get the word that employment was to be had there, and they would not hear the statement that a strike was going on. The employment agents the company used in various places to get

men to ship in certainly were not going to explain that in such a way that the men would realize a strike was going on.

Commissioner WEINSTOCK. It is your impression then that the men that came to take the places of the strikers were ignorant of the fact that a strike was going on?

Dr. McCORKLE. It is my impression that a large number of them were; I have heard repeatedly of men coming in who were ignorant of that fact.

Commissioner WEINSTOCK. You went on to say that your conception of the proper relationship between the employer on the one hand and the worker on the other hand was this: That the worker should not leave the employ of his employer without good reason?

Dr. McCORKLE. No, sir; I said the worker has a right to leave the employ of his employer at any time he wants to without giving him any reason, and the employer has a right to quit the business and go somewhere else and invest his money anywhere he pleases; that is his right.

Commissioner WEINSTOCK. Suppose the employer does not want to quit his business, and simply wants to make a change in his men; that the men he is employing are not efficient in his judgment, not fit; what would you do?

Dr. McCORKLE. In that case, as I said, these are men who have property; they have money invested in that community; they have homes costing a thousand or two thousand dollars. He says to them, "You must get out of here and sacrifice your property; I want you to get out." He says to them, "You are not efficient"; and if they are not efficient and are not doing good work then there ought to be a change made. But he is not the man to say they are inefficient.

Commissioner WEINSTOCK. He is not to be the judge?

Dr. McCORKLE. Not to give the final decision.

Commissioner WEINSTOCK. In other words, some one else other than the man himself, despite the fact that he is the wage bearer, shall determine the efficiency of his men?

Dr. McCORKLE. Some one else is going to determine the efficiency of his men if he is going to violate their property rights by driving them out.

Commissioner WEINSTOCK. The way you have put it, it would be the case of a lockout, where he would dismiss all his men; but take the case of an individual, are we to understand that the employer has no moral right, to say nothing of his legal right, to dismiss a man because, in his own judgment, the man is unfit, or incompetent, or inefficient?

Dr. McCORKLE. I drew, as you remember, the two parallels, the management on the one side wanting to dismiss the employees as a whole, and the employees on the other side wanting to dismiss the entire management.

Let me carry that parallel further; the employees, on the one side, wanting to dismiss some one member of the management, or the employer wanting to dismiss some one man, and saying to him, whether he be employee or manager, that he must move out of the community; this man would suffer property loss.

Commissioner WEINSTOCK. I do not quite follow the matter the way you present it. I am working in the employ of a mine owner; have I the right, in your philosophy, to quit that mine owner for any reason or for no reason?

Dr. McCORKLE. You have.

Commissioner WEINSTOCK. I do not have to give any explanation to my employer as to the reason why I want to quit.

Dr. McCORKLE. No, any more than the employer would, in case he wanted to quit and invest his money elsewhere.

Commissioner WEINSTOCK. And has he not the right to dismiss me for any reason or for no reason?

Dr. McCORKLE. No.

Commissioner WEINSTOCK. Then, how are your scales evenly balanced?

Dr. McCORKLE. That he simply has the right to move away. But for him to say that some other man might manage this business so it would pay him more, he has not a right to say that. It is only a third person who knows whether you are fit to manage the business who has a right to decide that.

Commissioner WEINSTOCK. Following your philosophy, then, if I wanted to quit your employ, I would have a right to quit for any reason or for no reason, but if you wanted to dismiss me you would have to bring in a third party to pass on your right to do that?

Dr. McCORKLE. You are not drawing the same parallel; you would have a right to quit, but you would not have a right to dismiss him, and he would not have a right to dismiss you, without a just reason.



Commissioner WEINSTOCK. I am frank to confess that I can not follow your reasoning. Maybe I am very stupid, but I can not follow it. If the scales are to be evenly balanced, and no one to have an advantage over another, and if both are to have exactly the same privileges, and if you say the worker should be accorded the right to quit at any time, for any reason or for no reason, why should not the employer have the same right?

Dr. McCORKLE. The employer does have the right to quit at any time. If the worker has the right to quit at any time, then the employer has.

Commissioner WEINSTOCK. If I, as a worker, have a right to quit your employment, and the scales are to be evenly balanced, why have not you, as the employer, the right to dismiss me at any time?

Dr. McCORKLE. Because I have not the right to dismiss you at any time.

Commissioner WEINSTOCK. Why?

Dr. McCORMICK. I can not come to you as an employer and say I would rather have some other man to manage the business—

Commissioner WEINSTOCK (interrupting). I am not talking of the manager, but of the worker.

Dr. McCORKLE. I am speaking of the two. If a man wants to quit, he has a right to quit, whether he is an employer or an employee; if a man wants to dismiss another, he has no right to do it, whether employer or employee, unless there is a just cause.

Commissioner WEINSTOCK. If you were the employer and I was the worker, and you were not satisfied with my work, what would you do?

Dr. McCORKLE. I would put your case before men who were disinterested, who would consider it on its merits.

Commissioner WEINSTOCK. You would follow their judgment more than your own?

Dr. McCORKLE. Yes; I would follow their judgment more than my own.

Commissioner WEINSTOCK. Even though nothing was to be gained?

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. It is a new kind of philosophy to me, I am sure.

Dr. McCORKLE. I would follow their judgment more than my own, just because of this—that I can see the case from my own viewpoint, what is right from my viewpoint. But I could not see the loss I was inflicting upon them so plainly, and whenever you undertake to deprive a man of his property right he has a right to have the thing adjudicated, and the workman has a property right there which is denied him.

Commissioner WEINSTOCK. Would you apply that rule you have just illustrated all up and down the line, that all employers and all workers should come under the rule, or would you limit it to certain industries?

Dr. McCORKLE. That all employers and workers should be included.

Commissioner WEINSTOCK. Well, if you had a cook in your service that was unsatisfactory to you, you would call in a third party to determine her fitness before you dismissed her?

Dr. McCORKLE. Yes; if we could not come to an agreement between us. She has a right to have the case considered, whether she is fit or not. But, Mr. Weinstock, in cases of that kind there is never any serious need of any third party to adjudicate it, because she could quit her place and find a thousand other people who wanted cooks; but when you have a big corporation and a very large number of men involved, they can not quit and leave their places without a large sacrifice.

Commissioner WEINSTOCK. You have pointed out what you consider the serious causes of industrial unrest, Mr. McCorkle?

Dr. McCORKLE. Yes.

Commissioner WEINSTOCK. You are a student and have read much and thought much and have had broad experience for a man of your years. Now, will you be kind enough to tell us what is your remedy for this unrest?

Dr. McCORKLE. Why, the remedy is in the principle of establishing just relations between men and teaching them to be kind to each other and to consider the welfare of each other.

Commissioner WEINSTOCK. Applying that practice, how would you supply it to legislation?

Dr. McCORKLE. In legislation I would apply this, as I mentioned, as to the employer and employee, so that neither man could be deprived of his savings and earnings and an opportunity to make a living, without he merited it by his own failure to live up to his obligations.

Commissioner WEINSTOCK. Assuming that you could secure the enforcement of the laws, what laws that we do not have now would you create to bring about a higher degree of industrial rest?

Dr. McCORKLE. Well, I do not know whether I know what you mean by "industrial rest." If you mean a kindly spirit between workmen and employers—

Commissioner WEINSTOCK (interrupting). I think that covers it.

Dr. McCORKLE. Men should always be striving for something better, and the idea of rest is simply a state of inaction, to which I should be opposed. I do not care how good things are, if we can make them better we should do so; but at the present time there is very bitter hatred on both sides.

I was in Paterson, N. J., while a student in the seminary and observed the strike there, and I met a wealthy man on the train who said he had a hundred tenant houses and could not get any money from them because the men were on strike, and he said, "We ought to drive them out of here, law or no law." I asked him about that, and he said, "Yes; cut their livers out, law or no law." I said, "They are ten to one with you and they will be in control some day," and I asked him what he would do if they were in control. He did not know about that, but he was more violent than any labor agitator, Socialist, anarchist, or any other variety of person who is displeased with our present order of things that I have ever met on the side of labor. He would throw over the law and kill the men to get rid of them.

Now, the hatred is common, and what we need is to work in a thousand ways, in every place we can, to get justice. If there is any man who is not getting a chance to feed and clothe his family properly, if there is any man living in a house that leaks, he is going to be pretty bitter if you do not get busy and see that he has a good roof over his head. He is going to be more bitter after a while, and his children are.

Now, we can not change these things all at once. I believe the time is coming when the workingman will hire the manager of the property, just as the manager hires the workingman to-day; I think that is coming in the future, the socialistic form of government; but it is not coming here like something dropping out of the sky. Every time we get a chance to pass a law that will make things better, we should do it, and we should try to take pains to see that neither side gives the other an unfair trial. We will struggle; we need to have our unions, collective bodies of workmen on the one side and employers on the other, and we need to provide that they shall be compelled under the law to meet with each other.

Commissioner WEINSTOCK. Have you any constructive suggestions, Mr. McCorkle, to give this commission along the lines that you have outlined?

Dr. McCORKLE. I would suggest for one thing that a law be made compelling any labor organization, any established labor organization, and any established company to meet each other, and to discuss their differences before and after a strike. I should provide that they would be required by law to meet each other.

Commissioner WEINSTOCK. And that you would make compulsory?

Dr. McCORKLE. I would not compel them to arbitrate the strike and accept the award.

Commissioner O'CONNELL. But you would adopt the Canadian system of compulsory inquiry?

Dr. McCORKLE. Yes, sir; and I would have a compulsory inquiry, and the men meet with each other; then I don't believe there would have been a strike in Colorado had there been a law of that kind in force, to compel the representatives of the operators and miners to meet each other.

Commissioner WEINSTOCK. Are you sufficiently familiar with the Canadian compulsory-inquiry act to say that it covers your ideas?

Dr. McCORKLE. I think I am sufficiently familiar with it to say that it does not. I think it works to the disadvantage of the workingman, especially where the industry is not organized. It may work fairly well where the union is established, but to deny them the privilege of striking, before the thing is brought up for consideration, may work a grave injustice to unorganized trades.

Commissioner WEINSTOCK. Then your idea would be the Canadian act modified?

Dr. McCORKLE. I would say this, too, the Canadian act requires too long delay, as I understand it, before the men are allowed to strike. I would modify it to that extent. I believe the award is not compulsory, is it?



Commissioner WEINSTOCK. No.

Dr. McCORKLE. That is my remembrance. I would modify it in that respect, but I would have the men get together; I would have the men get together and discuss their differences; and I would provide laws and try to have them enforced to do away with these abuses like we had mentioned at Sunrise and in Colorado as far as possible. Get rid of them before the men are angry enough to feel like they wanted to go on a strike. As I have told men repeatedly, workingmen don't get in the humor to go on a strike or in the humor for violence because some agitator talks to them for a day or two. It is only when they are burning with a sense of wrong through weeks and years, that finally somebody mentions the fact, and they are all mad enough to fight. I am not conversant enough with the Canadian act to speak of all its features. I don't know how acceptable it would be for the workingman. It has been quite a long while since I read it, but I remember when I was a student in the seminary in New York City that I heard it discussed, and there seemed to be features that did not give the workingman a fair show. I wrote an article for one of the papers there at the time and discussed the fact, and pointed out that it would prevent the workers from getting the advances that they needed, and promoting their organization in a number of fields at least. But I think to make an effort along that line is our duty.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. That is all. We thank you, Mr. McCorkle.  
Mr. Rockefeller.

#### TESTIMONY OF MR. JOHN D. ROCKEFELLER, JR.

Chairman WALSH. Your name is John D. Rockefeller, Jr.?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. And you reside in the city of New York?

Mr. ROCKEFELLER, Jr. I do.

Chairman WALSH. You have been a witness before the commission before, I believe, Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. For three days, sir.

Chairman WALSH. And you were asked to produce certain correspondence and submit it to the commission afterwards, I believe?

Mr. ROCKEFELLER, Jr. I was, and did so submit the correspondence. Mr. Chairman, will you allow me to say just a word at this time?

Chairman WALSH. I would prefer, please, if you would let me ask a few preliminary questions, in order to place certain people.

Mr. ROCKEFELLER, Jr. I would be glad, in view of the fact that you have referred to the correspondence, and in view of the statement that appeared in the newspapers in regard to that correspondence, which led me to feel that there were matters in it that were not clear to all of the members of the commission, and other matters that did not seem to the commission to be consistent with testimony previously given, and I would be very glad if you would allow me, in a desire to clear up these several matters, to read a statement that I have prepared, and I would be glad to read it at this time.

Chairman WALSH. I would be very glad to have you, but there are a few preliminary questions that I think would clear up and help us in understanding your statement. Who was Mr. L. M. Bowers?

Mr. ROCKEFELLER, Jr. Who was Mr. L. M. Bowers?

Chairman WALSH. When I say was, I understand that he is now not with the company.

Mr. ROCKEFELLER, Jr. You mean who is he?

Chairman WALSH. What connection did he have with the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. He was chairman of the board of the Colorado Fuel & Iron Co., and treasurer of the company up to the early part of this year.

Chairman WALSH. And what connections has he with your interests now?

Mr. ROCKEFELLER, Jr. He resigned from the position which I have just mentioned with the Colorado Fuel & Iron Co., to come into our personal staff.

Chairman WALSH. And he is on your personal staff now?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. On a salary?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. Now, at the time of the trouble in Colorado, or up until the time he quit, where was he located?

Mr. ROCKEFELLER, Jr. Mr. Chairman, if you will allow me to interrupt a minute, I have only asked the same privilege in regard to reading my statement which has been accorded to every witness—

Chairman WALSH. Very well, I will not discuss that further. I would have liked to have had this light, but if you do not seem inclined, I will let all the questions go until you get through.

Mr. ROCKEFELLER, Jr. I would be very glad to give it to you.

Chairman WALSH. This is the time I wanted it, but if you wish to give these answers at a later time, you may read your statement now.

Mr. ROCKEFELLER, Jr. I thank you, sir.

Since I testified before the commission in New York in January my office has furnished to the commission, at its request, certain correspondence between my office and the officers of the Colorado Fuel & Iron Co. with reference to labor conditions in Colorado. Portions of that correspondence have been made public by the commission, and the press has contained statements to the effect that the correspondence shows that whereas I had testified that I had no knowledge of conditions in the Colorado coal fields, I was in reality the directing mind throughout the struggle.

The commission will recall that at the hearings in New York in January I made this statement:

"The correspondence between myself and the officers of the Colorado Fuel & Iron Co. during the strike has been produced before this commission and is now public. If one thing more than another is shown by the letters exchanged, it is that, as respects conditions of employment and the interests of the company's employees, I have sought to inform myself and have not hesitated to make suggestions looking toward more adequate representation on the part of the employees and participation by them in the determining of matters pertaining to their working conditions. It is not less apparent, however, that I have studiously avoided anything that might afford ground, either to the employees, the management, or the public, for the belief that in any particular I was seeking to dictate a policy or to arbitrarily control any situation."

I wish now to reaffirm that statement and to emphasize the fact that all policies, as well as matters of detail, were decided upon and carried out by the executive officers at Denver without asking our advice.

Neither my New York associates nor I directed the conduct of the strike. As matters progressed and we acquired fuller knowledge of conditions, our activities were directed toward making suggestions which we hoped might facilitate the termination of the controversy. To show precisely and completely what these activities were, I give below the substance of every suggestion which we made to the Denver office during the progress of the strike:

Suggestion 1: That an investigation by three Federal judges be invited.

On December 1, 1913, Mr. Murphy wrote Mr. Bowers, suggesting that he write to the President of the United States saying that:

"We strongly urge an investigation of all the facts as to the relations between the company and its employees and the circumstances leading up to this strike."

The suggestions being that the investigation and findings as to the facts be made by three Federal judges to be appointed by the President.

Suggestion 2: That provision be made for injured employees and their families.

On April 29, 1914, I telegraphed Mr. Bowers as follows:

"If it is true, as reported in the papers, that any of our employees have been injured in the recent disturbances, I trust that you have already taken steps to provide fully for them and their families."

Suggestion 3: That disinterested mediators be appointed to intervene.

On April 29 Mr. Murphy telegraphed Mr. Bowers inquiring whether or not the fuel company and possibly the other operators would agree "to have some one or three disinterested men act as mediators between the various parties directly and indirectly engaged in the present turmoil? Such mediators \* \* \* to go from one side to the other, undertaking to formulate in definite terms the position of each, and then to act as negotiators in seeing whether anything could be done."

Suggestion 4: That the operators reiterate their acceptance of Gov. Ammons's proposition of settlement.

On April 30 I received from Chairman Foster, of the congressional committee, a telegram stating that an officer of the union had made a public statement that the mine workers would waive recognition of the union and asking if I



was willing to enter into negotiations for the settlement of the strike on that basis. I replied that the officials of the mining companies in Colorado were the only ones competent to deal with the question, but at the same time I telegraphed to the officers of the Colorado Fuel & Iron Co. in Colorado as follows:

"The letter of Gov. Ammons of November 27 to the operators and miners shows that at that time the only obstacle to a settlement was recognition of the union. He then suggested a solution covering all points except recognition, and the operators accepted his suggestion, invited their employees who had not been guilty of disorder and other unlawful acts to return on the terms mentioned by him, and assured him and their former employees that they would conform in good faith to all of his suggestions. It seems to me that the operators should \* \* \* reiterate their willingness to accept this settlement \* \* \*."

Suggestion 5: That a plan to get together be developed.

On May 3 I telegraphed Messrs. Welborn and Bowers:

"We strongly urge operators to take a vigorously active position looking toward the acceptance by all the parties concerned of Gov. Ammons's plan of November 27, and to outline a method by which the parties can now get together for the reconsideration of the matter from that point unless you already have some better plan in mind."

Suggestion 6: That disputed points other than union recognition be submitted to a board to be appointed by the President of the United States.

On May 26, referring to Chairman Foster's telegram of April 29, I telegraphed Messrs. Welborn and Bowers:

"If the President should suggest to the operators and miners that all questions affecting the relations between themselves and their present and former employees, except the recognition of the union and the unionizing of the camps, be submitted for adjudication to a board to be appointed by the Chief Justice of the Supreme Court, to consist of members of the Supreme Court or other Federal judges, would the operators accept. \* \* \* If accepted by the miners, would it not put an end to the present controversy?"

Suggestion 7: That a plan of publicity be developed.

In June, having become impressed with the desirability of getting the operators' side of the controversy before the public, I suggested, and was instrumental in bringing about the adoption by the operators' committee of a means for securing such publicity which was subsequently developed under the committee's direction.

Suggestion 8: That a plan of organization to secure collective bargaining and opportunity for presenting employees' grievances be considered.

During the progress of the strike, I felt increasingly the importance of finding some way of adjusting industrial disputes and preventing their recurrence. In that connection, I made the acquaintance of Mr. W. L. Mackenzie King, formerly minister of labor of Canada, who had had exceptionally wide experience in such matters. In a letter to him on August 1, I spoke of ways in which a permanent condition of peace might be restored, one of which I said might be "by developing \* \* \* the opportunity for collective bargaining, for easy and constant conferences with reference to any matters of difference or grievances which may come up, and any other advantages which may be derived from membership in the union. \* \* \* I am wondering whether you can take the time to dictate \* \* \* an outline of such an organization and send it to me \* \* \* for our discussion of it with the officers of the Colorado Fuel & Iron Co."

In response to this request, Mr. King outlined such a plan, a copy of which I sent on August 11 to Mr. Welborn.

Suggestion 9: Suggestion in regard to President Wilson's plan of truce.

After the President of the United States had issued his letter to the Colorado operators, proposing a plan of truce, Mr. Murphy wrote to Mr. Welborn on September 15, making certain suggestions for his consideration in formulating the reply of the Colorado Fuel & Iron Co. to the President, but saying: "It is merely by way of suggestion, without in any way indicating a desire to depart from the policy which we have steadfastly maintained of leaving the decision of these questions to the executive officers."

Suggestion 10: That a plan of self-government for employees be considered.

On October 5, Mr. Murphy wrote to Mr. Welborn suggesting a plan of local self-government, under which there should be in each mine a committee consisting of representatives of the operators and representatives of the miners employed in that mine, chosen by the miners from their own number, to serve

as a medium of communication with the management in regard to any matters of common interest, and which should also be charged with the duty of enforcing the statutes of the State and the regulations of the company looking to the comfort and safety of the miners and the protection of the company's property.

In so far as I can recall or ascertain from our correspondence, these are the only suggestions of any kind which we made, and every one of them was made with a view to ameliorating conditions, and in the hope of arriving at a solution of the problems involved.

It has been stated that I knew on the admission of my own "agents in the field that the Colorado Fuel & Iron Co. controlled the prices and fixed the working conditions at the mines."

This inference is based upon a letter from Mr. Bowers to me, dated April 25. I had sent him a letter from Mr. J. B. Corey, of Braddock, Pa., inclosing a cooperative agreement in use between Mr. Corey and his miners, which provided for fixing wages, or, as it was referred to in the agreement, "the price of mining" on a sliding scale, based on the selling price of coal. Mr. Bowers, in returning the letter and referring to the agreement, wrote:

"The Colorado Fuel & Iron Co. usually leads in fixing prices and conditions, which the larger companies usually agree to and the smaller concerns also, if it is for their interest. \* \* \* In this present trouble the prices of mining and the income of the workmen had nothing to do with this strike."

It will thus be apparent that in his letter Mr. Bowers was not referring to the prices at which coal was sold, but to the prices or wages paid the men for mining coal. To me the letter never had any other than the very obvious meaning that the Colorado Fuel & Iron Co., as the largest factor in the field, was usually first in making changes in operating conditions, their lead being sometimes followed and sometimes not.

Certain additional statements concerning the correspondence which we have supplied to the commission have appeared in the newspapers during the last few weeks. To these statements I have already publicly replied. The substance of these replies will be found in an appendix to this statement, which I will read at this time.

#### "APPENDIX.

"1. It has been stated that correspondence filed with this commission shows that I exercised 'a personal influence that extended even to the statehouse at Denver, and presumed to dictate letters that went out to the President of the United States and to the governors of the States, over the signature of the governor of Colorado.' The facts are as follows:

"Last May Gov. Ammons sent Maj. E. J. Boughton, adjutant general of Colorado, to New York. I never met Maj. Boughton, but he met one of my associates, and later, Mr. Lee. Maj. Boughton said that Gov. Ammons had been concerned over the misunderstanding which seemed to prevail in the East over certain phases of the strike. Maj. Boughton, as the governor's representative, called on numerous people and invited suggestions as to how the governor's position and the attitude of the State might more effectively be brought to public notice. Mr. Lee suggested that one method would be for the governor to write a letter to the President of the United States"—

Chairman WALSH. Mr. Lee suggested that to whom?

Mr. ROCKEFELLER, Jr. To Maj. Boughton.

Chairman WALSH. Were you present?

Mr. ROCKEFELLER, Jr. No, sir; I was not. I never met Maj. Boughton, as I stated before.

Chairman WALSH. Did Mr. Lee report that to you at about the time that he suggested to Maj. Boughton that a letter should be written to Gov. Ammons?

Mr. ROCKEFELLER, Jr. I don't recall when it was mentioned to me.

Chairman WALSH. When did you first find it out and put it in this document?

Mr. ROCKEFELLER, Jr. Find out what?

Chairman WALSH. That Mr. Lee had suggested to Maj. Boughton that it would be a good thing to write a letter to Gov. Ammons to write a letter to the public.

Mr. ROCKEFELLER, Jr. The matter first is mentioned in the correspondence, in the letter from me to Mr. Lee, or Mr. Lee to me.

Chairman WALSH. When did Mr. Lee tell you that Maj. Boughton was in town? Was it right after he made the suggestion to Maj. Boughton or was it before he made the suggestion to Maj. Boughton that he told you he thought it would be a good thing?



Mr. ROCKEFELLER, Jr. I don't recall it.

"Mr. Lee suggested that one method would be for the governor to write a letter to the President of the United States and another to his fellow governors of other States, setting forth the situation as Gov. Ammons saw it. Maj. Boughton stated that he could not tell how the governor would regard such a suggestion, and that even he himself would have to convey the suggestion to Gov. Ammons through Gen. Chase, Maj. Boughton's superior officer. Maj. Boughton suggested that perhaps a statement addressed to the public would be better.

"To get the matter into shape for his further consideration Maj. Boughton suggested that Mr. Lee make his ideas concrete by preparing a draft of the kind of statement or letter he had in mind. As a basis for such a draft, Maj. Boughton sent to Mr. Lee a memorandum of his own views of the situation.

"The memorandum written by me and referred to in one of my letters as having been sent by me to Mr. Lee was nothing more than a rough draft of a statement concerning the Colorado situation which I had drawn up in answer to statements which had appeared in the press, but had never been used. A copy of this memorandum, which, as I wrote Mr. Lee on June 10, 1914, was incomplete and only suggestive, was given to the press some weeks ago."

Chairman WALSH. Have you with you this statement?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. I have not seen it published. Have you a copy of that memoranda any place?

Mr. ROCKEFELLER, Jr. It is in my office; whether I have it in Washington I don't know.

Chairman WALSH. Will you please see what you have, because in none of the articles that ever came under my observation was that statement set forth.

Mr. ROCKEFELLER, Jr. I will look it up.

Chairman WALSH. I wish you would.

Mr. ROCKEFELLER, Jr. (reading):

"In reference to Mr. Lee's suggestion, it occurred to me that this memorandum contained material which Mr. Lee might find helpful in that connection.

"Personally, I have never seen a copy of the draft which was sent. Maj. Boughton has since advised Mr. Lee that he went no further with the suggestions"—

Chairman WALSH. When did Maj. Boughton advise him of that?

Mr. ROCKEFELLER, Jr. I don't know that.

Chairman WALSH. Is this your personal statement that you are reading now?

Mr. ROCKEFELLER, Jr. Yes, Mr. Chairman; but I don't recall the date.

Chairman WALSH. Oh, you don't remember. Go ahead.

Mr. ROCKEFELLER, Jr. (reading):

"and that neither Gen. Chase nor Gov. Ammons ever knew that such suggestion had been made.

"2. It has been stated that the correspondence disclosed that I 'withheld from the Department of Labor at Washington information asked for when Secretary Wilson sought to avert the strike before it began' and that in response to a full account of the interview with the Government agent, communicated by Mr. Murphy to Mr. Bowers, 'Mr. Bowers wrote back highly praising Mr. Murphy for his discretion in not giving the Government agent any information.'

"The letter of September 16, 1913, from Mr. Murphy to Mr. Bowers, which is in the record, clearly shows that no information was asked for by the Department of Labor, none was withheld, and in Mr. Bowers's letter of September 19 to Mr. Murphy there was no reference to any information having been refused the Government representative.

"3. It has been stated that 'I had a plan \* \* \* for publishing a string of daily newspapers.'

"The apparent basis for this statement is contained in correspondence between Mr. Lee and myself, referring to a letter which I had received from a man I had never heard of and which I had forwarded to Mr. Lee. That letter began as follows: 'This note is from a stranger to you, making a suggestion \* \* \* for a string of fearless, honest newspapers across the country.'

"Mr. Lee, in his reply to me, expressed his disapproval of the suggestion, and added:

"I do not believe \* \* \* that I will ever come to the point of thinking that you should establish and become responsible for a string of daily papers.'

"No further attention was paid to the suggestion.

"4. It has been stated that the correspondence shows that I 'had a plan \* \* \* of financing the publication of the official organ of the National Chamber of Commerce.'

"The paper referred to is The Nation's Business and is distributed without charge to members of the Chamber of Commerce of the United States. The president of the chamber discussed with me on various occasions a financial plan for enlarging this publication so as to make it a more effective medium by which the chamber could place before the business men of the country facts of interest to them in regard to business, commerce, national legislation, industrial matters, etc. Although I considered the proposition entirely legitimate, it was never favorably acted upon.

"5. It has been stated that the correspondence indicates that my associates and myself were indifferent to the distressing conditions in Colorado.

"The following quotation was made from one of Mr. Bowers's letters to me:

" 'Several of our mines are working from one-half to two-thirds capacity, and if we can continue undisturbed, we can keep our steel works running and supply our railroad friends with coal to keep them going in good shape until the strike is over.'

"Apparently, without other evidence, this quotation was taken to support the assertion that 'This was at a time when the people of Colorado were suffering for coal and the price had been advanced until thousands of families were without fuel.'

"The fact is that when the strike was called, the price of coal was not raised by the Colorado Fuel & Iron Co., and most energetic and effective measures were taken by the company to insure that the supply of coal for domestic use should not be curtailed."

Chairman WALSH. What was the date of the letter, I did not carry it in my mind. What was the date of the letter that Mr. Bowers wrote, saying they were running from one-half to two-thirds?

Mr. ROCKEFELLER, Jr. The date is not mentioned here.

Chairman WALSH. Was that at a much later time in the winter, after the strike was called in November?

Mr. ROCKEFELLER, Jr. It may have been.

Chairman WALSH. So the price was not raised until the time of the strike?

Mr. ROCKEFELLER, Jr. I think you will see as I go along that the price was not raised at all. [Continuing reading:]

"In response to an inquiry, Mr. Welborn, president of the Colorado Fuel & Iron Co., forwarded to me the following explicit statement concerning that point:

" 'When the strike was called we discontinued shipping coal to the Santa Fe Railroad, the C. & B. & Q., the Missouri Pacific, and the Colorado Southern, and continued shipping a small amount to the Denver & Rio Grande. We also stopped shipments of coke to the smelters and other large consumers.'

"After furnishing fuel to the steel works to operate on a reduced basis, we had a small amount of coal available for domestic trade. We continued shipping with no advance in price over our regular winter schedule. For our Denver retail department we bought coal from Wyoming, which cost us \$1.50 per ton more than our normal supply for the Denver market."

Chairman WALSH. Now, when was that that you bought the coal from another company?

Mr. ROCKEFELLER, Jr. It was, I suppose, during the fall and winter period.

Chairman WALSH. And when you bought it from another company the retail price in Denver was raised \$1.50 a ton?

Mr. ROCKEFELLER, Jr. I was about to complete the statement in which that is mentioned.

Chairman WALSH. That is mentioned?

Mr. ROCKEFELLER, Jr. May I proceed? [Continues reading:]

"The retail price on this coal was increased correspondingly. We had some of our own in stock at Denver, which lasted until about November 15, and was sold at the price prevailing before the strike was called."

Chairman WALSH. Then am I to understand that the retail price of coal of November 15 went up \$1.50 a ton?

Mr. ROCKEFELLER, Jr. Not on the coal that the Colorado Fuel & Iron Co. mined, but on the coal which they had bought, that had just exactly that much advance.

Chairman WALSH. Now, if I understand this statement, it is this, that you had coal of your own on hand until November 15, and that until the weather



began to get quite cold out there you had the coal on hand and there was no advance, but on November 15 you had sold out all that coal, and you bought coal from the other company, and therefore the retail price went up \$1.50 a ton.

Mr. ROCKEFELLER, Jr. We had bought coal from another State, from Wyoming, for which we had to pay \$1.50 more, and this price was added to the selling price of the coal.

Chairman WALSH. So that coal cost \$1.50 more, retail, in Denver after November 15?

Mr. ROCKEFELLER, Jr. Yes, sir. That was not a gain made to the seller, but an advance paid by the seller to the man from whom he bought it.

Chairman WALSH. Did not that price obtain in Denver after November 15 for all coal sold in Denver regardless of where it came from?

Mr. ROCKEFELLER, Jr. For that I will have to refer you to Mr. Welborn.

Chairman WALSH. So that the statement that the price of coal went up a dollar and a half a ton when the weather got cold was absolutely true?

Mr. ROCKEFELLER, Jr. Not the price of coal that we mined, but the price of coal we bought in order to accommodate these customers.

Chairman WALSH. Which you bought and sold?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. Go ahead.

Mr. ROCKEFELLER, Jr. I have a further communication from Mr. Welborn that I will submit afterwards, but I will not do it now.

Chairman WALSH. If it is on the same line I should be glad to have you read it now.

Mr. ROCKEFELLER, Jr. I would rather finish my statement.

Chairman WALSH. Very good, take your own time.

Mr. ROCKEFELLER, Jr. (reading):

"I should like also at this time to refer to statements which have appeared in the newspapers ascribing to me and those associated with me participation in the prosecution of Mr. John R. Lawson. I desire to state unequivocally that neither I nor any of my associates has had any connection whatsoever with this case. I feel, and have so expressed myself very explicitly, that when private interests, either individual or corporate, participate in criminal prosecutions, the proceedings tend to lose that impartial quality which should characterize the administration of justice.

"As soon as I learned that this trial was coming on, I made careful inquiry to assure myself that the Colorado Fuel & Iron Co. was not participating in any way in the prosecution, and was assured by Mr. Welborn that this was the fact and that no deviation from this policy would be permitted by the officers of the company in any prosecutions.

"On April 21, the day the trial started, Mr. Welborn, president of the Colorado Fuel & Iron Co., issued the following statement to the press in Denver:

"Reports that this company has engaged attorneys to assist in the prosecution of either Mr. Lawson or anyone else for offenses growing out of the strike are entirely without foundation. It may be that some of our employees will be called as witnesses, but as a company we have had nothing to do with the prosecution of the defendant. None of our attorneys is associated with the work of the district attorney, and no suggestions have been made to him by us or for us. We feel that the district attorney is competent to handle the case and that he probably would be averse to receiving any offer on our part of helping him, if we were disposed to make such an offer, which we are not. The strike and the occurrences growing out of it are behind us and we have no desire to resurrect them."

"I am also informed that the attorney general of Colorado has publicly stated that the Lawson case was conducted entirely under his control and with his assistants in personal charges; that neither the coal operators nor anyone else had anything to do with the case; that he was not influenced in any way by any corporation or individual, and that the only possible ground for associating the name of the Colorado Fuel & Iron Co. with the case was the fact that he necessarily had to secure evidence from employees of that company.

"I am sure that the officers and directors of the Colorado Fuel & Iron Co. agree with me that the administration of justice should rest solely in the hands of the State. This principle I regard as so vital that I would not stop at anything which might be necessary in order to maintain it absolutely.

"In reviewing recent events in Colorado, while it is doubtless true that many of those who had a part in them would, in the light of present knowledge, have

acted differently in many respects, I can only say for myself that at each step I did what at the time seemed to me right and wise. As I see it, the vital questions now are these: Are conditions as they ought to be? If not, are sincere and effective efforts being put forth to make them better?

"I had hoped to have carried out before this the purpose mentioned to the commission in January to go to Colorado and see for myself what conditions are. But through an unfortunate succession of events, I have thus far been prevented from doing so. While I might, of course, have found time to go for a few days, I have been postponing the trip until such time as I could be free to stay for several weeks, or as much longer as necessary. It is still my purpose to undertake this mission as soon as it can be arranged, with due regard to my other obligations.

"In the meantime, I am assured by the officers of the Colorado Fuel & Iron Co. that they are cooperating with the employees to improve working and living conditions, and that these cooperative efforts are meeting with gratifying success. Following the hearings in New York in January, I was glad to avail myself of the opportunity for informal conferences with members of labor organizations, to get their point of view concerning the Colorado situation. We have also had helpful conferences with the commission of which Mr. Seth Low is chairman, appointed by the President of the United States, and have assured that commission of our desire to cooperate with it in its work of promoting harmony and good will.

"As to the future, we are bending every energy toward the development of sound conditions, and in that effort we seek the cooperation of all those interested in establishing relations of mutual confidence and advantage between the various elements associated in the industrial life of the State of Colorado."

Chairman WALSH. Would it be convenient for you to read that other letter that you got from Mr. Welborn in regard to the price of coal?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. I wish you would.

Mr. ROCKEFELLER, Jr. This is dated May 15:

"During the winter of 1913-14, following calling of coal strike, there was no shortage of coal in Denver market except on account of railroad blockades caused by unprecedented snowfalls early in December. Lignite coal produced immediately north of Denver has always been the main source of supply for this market, and was able during all of the strike to more than meet demands of Denver trade, except when operations were interfered with by snow blockade.

"The Wyoming coal, which on account of greater mine prices and higher freight rates sold here at \$1.50 per ton more than coal of similar grade from southern Colorado, was purchased only by consumers desiring coal of higher grade than the lignite from north of Denver, and not because of shortage of lignite supply. With exception noted due to snow blockade there was no actual shortage of Colorado coal or consumption in State during the strike, though there was some change in source of supply."

Chairman WALSH. Do I understand from that that the price of coal remained the same—all the coal that came from southern Colorado?

Mr. ROCKEFELLER, Jr. Until that supply of coal was exhausted.

Chairman WALSH. November 15?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. And after that—is the Wyoming coal of the same general character as the southern Colorado coal?

Mr. ROCKEFELLER, Jr. The Wyoming coal is of a higher grade, as I understand it, and it is used by those that want a fancy article and are willing to pay the higher price. That coal from the northern part of the State is a coal used commonly in Denver.

Chairman WALSH. What was the date of Mr. Welborn's letter?

Mr. ROCKEFELLER, Jr. This telegram?

Chairman WALSH. That telegram; yes.

Mr. ROCKEFELLER, Jr. May 15 of this year.

Chairman WALSH. That was a few days ago?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. What was the price of coal—you say there was no change in the price of coal after November 15?

Mr. ROCKEFELLER, Jr. We are talking of two kinds of coal.

Chairman WALSH. The coal that was commonly used in the retail trade in Denver, prior to November 15?



Mr. ROCKEFELLER, Jr. I would understand that there was no shortage of coal; he doesn't say what the price was.

Chairman WALSH. Whether it was short or long, was there any raise in the retail price of coal to the consumer in Denver after November 15?

Mr. ROCKEFELLER, Jr. I can not tell that.

Chairman WALSH. How long did those snow blockades last that raised the price of coal?

Mr. ROCKEFELLER, Jr. That I can not give you.

Chairman WALSH. A month?

Mr. ROCKEFELLER, Jr. I don't know.

Chairman WALSH. Two months?

Mr. ROCKEFELLER, Jr. I do not know, Mr. Chairman.

Chairman WALSH. Your information derived from that letter is not very illuminating regarding the retail price of coal in Denver generally?

Mr. ROCKEFELLER, Jr. I supposed that I was expected to speak of the coal produced and sold by the Colorado Fuel & Iron Co.

Chairman WALSH. I would like to ask you a question or two before adjournment. Now that you have referred to the Lawson trial here, you say Mr. Welborn gave out a statement immediately preceding the Lawson trial that your company was not going to furnish any attorneys. I see this in that statement, "It may be that some of our employees will be called as witnesses, but as a company we have had nothing to do with the prosecution of the defendant."

Now, were there employees referred to, the men that came through the Baldwin-Felts Detective Agency, and who during the strike were pretending to be striking miners but were in reality detectives employed by your company, and did they afterwards for the pay that your company gave them go upon the witness stand and testify to that portion of the evidence which connected Joe Lawson with the crime of murder?

Mr. ROCKEFELLER, Jr. I would have to refer you to Mr. Welborn.

Chairman WALSH. Suppose that were true, with your repugnance to the taking part by the corporation in these prosecutions, would you go to Denver and take some action against the action of the officials of your company? If it proved to be that the witnesses that connected the man with the crime were in your employ as detectives and were spies, pretending to be workmen, and, as a matter of fact, were Baldwin-Felts detectives, paid by you during all of this time and down to the time the trial took place, would you protest against that, or do you consider proper—

Mr. ROCKEFELLER, Jr. (interrupting). I presume that is a matter which the attorney general decided when he called his witnesses. I would not feel it was up to me to suggest to him.

Chairman WALSH. Even though a part of your money paid for the testimony that convicted the man of murder? You say that is up to the attorney general and "I will take no part in it"?

Mr. ROCKEFELLER, Jr. That is a matter I have no knowledge of.

Chairman WALSH. But suppose knowledge is brought to you, would you take any part to save a man from lifetime imprisonment?

Mr. ROCKEFELLER, Jr. I certainly would not be willing to stand back of anything that was not perfectly fair.

Chairman WALSH. Then you would go there and call attention to the fact that these men whose testimony convicted Lawson were paid detectives by you, and you did not believe that men that were paid to do that kind of work should be trusted where the whole lifetime of a human being was at stake?

Mr. ROCKEFELLER, Jr. I am not prepared to say what step I would take, but I meant what I said when I said that the administration of justice should rest entirely in the State, and in that I would stand for that principle at any cost. I am not prepared to say what steps I would take.

Chairman WALSH. Suppose that it should be brought indubitably to you that one of the jurors that served upon this trial had been given the exclusive privilege, he being a traveling salesman, the exclusive privilege of selling his product to all of your camps, would you suggest, if that was brought to you, to the authorities that you didn't think that was fair where a man's whole life was at stake? You met this man Lawson, he called on you at your office?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. He was one of the men that conferred with you?

Mr. ROCKEFELLER, Jr. I met him.

Chairman WALSH. And if that was brought indubitably to you, what kind of steps would you take to save his life?

Mr. ROCKEFELLER, Jr. I can not say.

Chairman WALSH. Would you think that was fair for a man that had an exclusive contract with you and was making money out of it every day, to serve as a juror in an acute conflict of this sort?

Mr. ROCKEFELLER, Jr. I am not familiar with the conditions.

Chairman WALSH. If it turns out that way, what would you do?

Mr. ROCKEFELLER, Jr. Whatever was necessary to see that right was done.

Chairman WALSH. Do you think that was right or fair, if it was true, to try a man before a juror who was so situated with reference to your company?

Mr. ROCKEFELLER, Jr. I think that the jurors should all have been selected with the greatest care, and if any jurors were not selected and properly fitted for the place, they should have been excused, and if it can be shown now that they were not proper men the attorney general would want to try the case again, I am sure.

Chairman WALSH. Now, what would you do—were you here when Dr. Gaddis testified?

Mr. ROCKEFELLER, Jr. No, sir; I was not.

Chairman WALSH. But his testimony was brought immediately to you so you could see what he said?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. Were you notified that Dr. Gaddis, head of the sociological department, would testify to matters seriously affecting your corporation at these hearings?

Mr. ROCKEFELLER, Jr. I heard he had testified, and I have arranged to have a copy of the testimony and will be very glad to read it carefully.

Chairman WALSH. Is it a part of the plan in your own mind that you will not hear anything about conditions in Colorado?

Mr. ROCKEFELLER, Jr. I have arranged, as I have just stated to you, for a copy of the testimony and to go over it very carefully.

Chairman WALSH. You remember we had this discussion in 1904, men were driven down the canyon and thrown out on the prairies, and in some cases left to die, or received such treatment that they afterwards died, when you had charge of this company, and I believe you stated you knew nothing about it, and I believe you were asked to inform yourself about the true condition in the State of Colorado?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. Then I will advise you of this, although it took place here yesterday. I think Mr. Heydt, your secretary, was here. Did he advise you of what Dr. Gaddis said?

Mr. ROCKEFELLER, Jr. No, Mr. Chairman.

Chairman WALSH. Did you hear what Mr. Gaddis said about that?

Mr. ROCKEFELLER, Jr. No, Mr. Chairman.

Chairman WALSH. Did you read the Washington morning papers?

Mr. ROCKEFELLER, Jr. I have not.

Chairman WALSH. Then, Mr. Gaddis said that he was informed that there was a man upon that jury by the name of W. W. Wilson, and Mr. Wilson had told him personally upon a train that he had been given the exclusive right to sell the products of the National Biscuit Co., for whom he was working, to all of your camps; that it was an exclusive right that had been given by the Colorado Fuel & Iron Co.; that he saw afterwards that W. W. Wilson actually served as a juror and was on the jury that condemned him to life, and he said that he was the only W. W. Wilson that he knew in Trinidad, and that he was reasonably sure that he was the same man that told him this on the train. A telegram was sent F. W. Clark asking if he was the same W. W. Wilson, and he replied, "Wire received. W. W. Wilson is a traveling salesman of the National Biscuit Co., your information is correct."

If this turns out to be true have you such zeal for the full administration of justice that you will make some demand on your company and the authorities of Colorado in regard to getting Mr. Lawson a new trial and tried before a jury none of whom are beholden to your company?

Mr. ROCKEFELLER, Jr. I would not be a party—

Chairman WALSH (interrupting). What would you do, if that turns out to be true?

Mr. ROCKEFELLER, Jr. I am reserving the right to decide that when I am informed as to the situation. I stand on this very definite statement, that I be-



lieve that the administration of justice should rest in the hands of the State, and regard the principle as so important that I would not stop at anything which might be necessary to maintain it absolutely.

Chairman WALSH. But I am giving you a specific instance, if that turns out to be true, what will you do? Lawson has a wife and children, and suppose he was sent to the penitentiary under this judgment delivered by this jury, would you tell them to read that statement to him in the penitentiary, or his wife and child, that you didn't believe in any such thing, or what would you do yourself when an injustice was being done?

Mr. ROCKEFELLER, Jr. If an injustice has been done I will do what I can to maintain justice, and see that justice is done.

Chairman WALSH. You heard that letter read that Mr. Bowers wrote you, in which he said that there is one sheriff down there in that county that has been on the job 16 years?

Mr. ROCKEFELLER, Jr. I was not here.

Chairman WALSH. Did anybody tell you about it?

Mr. ROCKEFELLER, Jr. Of course, I have seen the letter.

Chairman WALSH. Now, you knew that was the man, Jeff Farr?

Mr. ROCKEFELLER, Jr. I was so informed.

Chairman WALSH. And you know that he is still in there?

Mr. ROCKEFELLER, Jr. I have so heard.

Chairman WALSH. I am leaving the Lawson case for a minute, and I believe you stated in here, I never saw this before and want some time to go over it, but you stated in there, I believe, that you had no direction in what took place in Colorado; that you were not the guiding force in Colorado?

Mr. ROCKEFELLER, Jr. Yes, sir; that is what I stated.

Chairman WALSH. Now, do you, as I understand, represent your father in the management of these companies?

Mr. ROCKEFELLER, Jr. I represent my father in regard to these various investments.

Chairman WALSH. Is this one of them?

Mr. ROCKEFELLER, Jr. It is.

Chairman WALSH. He keeps very close track of matters himself?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. And you have a way of sending out to these men what your father thinks of these things?

Mr. ROCKEFELLER, Jr. I don't know of any case in which I have.

Chairman WALSH. I will read you a letter signed by yourself and submitted by your officials, dated December 26, 1913:

"DEAR MR. BOWERS:

"Your letter of December 22, with inclosed clipping, is received. I note with interest the fact that the miners are rapidly going to Colorado from the South and East."

These were men to take the place of the striking miners?

Mr. ROCKEFELLER, Jr. I presume so.

Chairman WALSH. And the men from the South were negroes?

Mr. ROCKEFELLER, Jr. I do not know.

Chairman WALSH. Did you not know they were bringing in negroes in large numbers from the South?

Mr. ROCKEFELLER, Jr. I didn't state they were bringing them in; they were going.

Chairman WALSH. That there were large numbers of negroes going in there?

Mr. ROCKEFELLER, Jr. I don't know.

Chairman WALSH. I will continue with the letter:

"I assume this means that conditions have become so nearly normal that business can be very generally resumed. It is most gratifying to feel that this struggle is so rapidly becoming a thing of the past.

"I know that father has followed the events of the past few months in connection with the fuel company with unusual interest and satisfaction."

I will leave out what follows.

"Thanking you for your holiday greetings, and wishing you and yours a happy new year, I am,

"Very sincerely,

"JOHN D. ROCKEFELLER, Jr."

You sent that letter to Mr. Bowers, did you?

Mr. ROCKEFELLER, Jr. I did.

Chairman WALSH. Now, were you at your father's house or was he at your house on December 26?

Mr. ROCKEFELLER, Jr. I can not recall that, Mr. Chairman.

Chairman WALSH. I note the day before was Christmas; did you meet him on Christmas?

Mr. ROCKEFELLER, Jr. This last Christmas?

Chairman WALSH. 1913.

Mr. ROCKEFELLER, Jr. I can not remember that; it is very probable that he was in the country.

Chairman WALSH. Now, how did your father express satisfaction as to events in Colorado that he had watched so closely for a few months prior to December, 1913?

Mr. ROCKEFELLER, Jr. I see him as often as I can, and he is always interested in having me tell him anything that I can tell him or volunteer to tell him with reference to his various investments, and he is naturally at liberty to ask any questions that he cares to ask, and it is the natural course of our intercourse that he should mention from time to time a matter of this kind.

Chairman WALSH. Did he get information any place else than from you?

Mr. ROCKEFELLER, Jr. I don't know that he did, but he would have been at liberty to inquire of any member of his staff, or write to the company.

Chairman WALSH. Now, in what way did he follow the events there, through talking to you and getting reports from you?

Mr. ROCKEFELLER, Jr. I don't know of any other.

Chairman WALSH. How did he express satisfaction; say that he was glad to see how things were going, or just laugh?

Mr. ROCKEFELLER, Jr. It is a little difficult to recall it, it being a year and a half ago.

Chairman WALSH. You can not tell how he expressed it, but he was unusually satisfied with the trend of events in Colorado?

Mr. ROCKEFELLER, Jr. You seem to know.

Chairman WALSH. I will read it to you:

"I know that father has followed the events of the past few months in connection with the fuel company with unusual interest and satisfaction."

The fuel company is the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. Now, on September 26, 9,000 of his faithful employees took to the canyons of Colorado rather than work under the conditions they had been working under?

Mr. ROCKEFELLER, Jr. I would hardly think the figures were correct.

Chairman WALSH. Was it 8,000?

Mr. ROCKEFELLER, Jr. I would think it was very much smaller.

Chairman WALSH. Give me the number that left and went to the canyons, or went to living in tents, or scattered away?

Mr. ROCKEFELLER, Jr. I do not know.

Chairman WALSH. Was it 9,000?

Mr. ROCKEFELLER, Jr. My impression was that the total number that went out was about one-half of the total number working, which was about 9,000 altogether.

Chairman WALSH. So that there were about 4,000 or 4,500 went out and went to living in the canyons, rather than live in the camp any longer?

Mr. ROCKEFELLER, Jr. I would think something like that came out, from the reports that came to me.

Chairman WALSH. And a few months prior to the time that you wrote that letter about your father, Jeff Farr had deputized 326 gunmen and allowed your company to arm them and turned them loose in the community; that is true, is it?

Mr. ROCKEFELLER, Jr. That is the statement made; I don't know from personal knowledge.

Chairman WALSH. Is it not true that these deputized gunmen, before you wrote about your father's unusual satisfaction, that the gunmen had riddled the Forbes tent colony with machine guns, and had shot a boy of one of the striking miners nine times through one of his legs?

Mr. ROCKEFELLER, Jr. I can not say as to that.

Chairman WALSH. Prior to the time you wrote that letter about your father's unusual satisfaction, is it not a fact that an effort was made to have



the officers of this company meet the representatives of the striking miners, and they were brought together in the statehouse for that purpose, and that the representatives of your company refused to go through a door, or thin partition, to meet those men?

Mr. ROCKEFELLER, Jr. That I do not know, but I know that the officers of the company met representatives of the miners in a conference, in which Secretary Wilson, of the Labor Department, was present, and the propositions that were made by the governor looking to a settlement of the dispute were all acceded to by the operators and not by the representatives of the miners.

Chairman WALSH. I will ask you if prior to the time that you wrote that letter about your father's unusual satisfaction you had not received a letter from Mr. Bowers stating that he had used every weapon at his command to coerce the governor of the State and whip him into line?

Mr. ROCKEFELLER, Jr. I don't recall. If you have such a letter from my office I have seen it.

Chairman WALSH. Do you mean to say that on such an important matter as that, that an officer of your company boasted that he would whip the governor of the State into line, that you have forgotten it after submitting it to this commission?

Mr. ROCKEFELLER, Jr. There is a mass of letters there.

Chairman WALSH. Then you have forgotten it?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. And is it not a fact that, prior to the time that your father expressed this unusual satisfaction, that a score of strikers were being thrown into jail by the military authorities and denied a hearing before a civil court, and that constitutional government had given place to despotic rule in southern Colorado? Is that true?

Mr. ROCKEFELLER, Jr. You know better than I do.

Chairman WALSH. Your father was one of the big owners of this and was following the events closely in Colorado, and that letter was the truth?

Mr. ROCKEFELLER, Jr. Certainly, it was.

Chairman WALSH. We will adjourn at this point, and will ask you to please resume the stand in the morning.

(At this point, 5 o'clock p. m., the commission adjourned until to-morrow, Friday, May 21, 1915, at 10 o'clock a. m.)

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WASHINGTON, D. C., *Friday, May 21, 1915—10 a. m.*

Present: Chairman Walsh, Commissioners Harriman, Lennon, O'Connell, and Weinstock.

Chairman WALSH. The house will please be in order. We will resume now. Mr. Rockefeller.

#### TESTIMONY OF MR. JOHN D. ROCKEFELLER, JR.—Continued.

Chairman WALSH. I would like to go back just for a moment, Mr. Rockefeller, to the question of the price of coal.

Mr. ROCKEFELLER, Jr. Mr. Chairman, I would like to add just a word to the testimony in the Lawson case.

Chairman WALSH. Would you like to do it at this time?

Mr. ROCKEFELLER, Jr. I would, sir.

Chairman WALSH. Very well.

Mr. ROCKEFELLER, Jr. Since giving my testimony yesterday I have read with care the stenographer's transcript of the questions asked by the chairman of this commission in reference to the Lawson trial, and my view of certain hypothetical cases, and the course I would take should the facts subsequently prove to be as presented. As these questions all relate to a criminal appeal at present pending before the courts of this country, I feel that my position can not be too precisely stated, both as respects the questions already asked, and questions of a similar nature which may be addressed; and I therefore desire to give to this commission my opinion on these matters in the form of a written statement, which will be unequivocal, and admit of no misunderstanding or misinterpretation.

As already expressed, my opinion is that justice should be so administered as to be above suspicion; and if in any material particular the trial of Mr. Lawson has been wanting in this respect, I, for one, should desire to see the

Supreme Court of Colorado, to which the appeal has been taken, carefully consider every ground that may be urged, and grant a new trial should any material ground be sustained.

I have no more right than has any other citizen in this country to attempt to interfere with or influence the course of justice; and questions which are so framed as to seek to put me in the position of appearing to concede that there has been willful tampering with the courts, or of stating what I am prepared to do to influence the future course of justice, either as respects Mr. Lawson or any other person, I can not regard as other than improper questions, and a direct reflection upon those who are charged with the administration of justice. To sinister reflections of this kind I must decline to be a party, even by inference.

Were I, either directly or indirectly, to attempt to influence the judiciary of Colorado as respects the present appeal of Mr. Lawson's trial, I should be guilty of the very procedure against which witnesses before this commission have so strongly protested, and which I myself have not less strongly condemned; and I hope the chairman of the commission will not expect from me replies to any questions which imply that I believe others have been guilty of unlawful or improper acts in the administration of justice, or that I entertain a position superior to that of any other citizen of the Republic, either before the law or toward its administration.

I thank you, Mr. Chairman.

Chairman WALSH. Now, with reference to the questions I ask, Mr. Rockefeller, if there are any of them that you think for any reason you should not answer, why, you state that at the time, and of course it will be given consideration, and they will be taken up for action by the commission later on. Now, I suppose this high regard you have for the law extends to all of its officers charged with its administration? Is that correct?

Mr. ROCKEFELLER, Jr. Certainly.

Chairman WALSH. And you have not a contempt for officers who do not do your bidding, of course? You respect them, whether they do your bidding or not, do you?

Mr. ROCKEFELLER, Jr. Are you speaking of officers of the law?

Chairman WALSH. Officers of the law; yes.

Mr. ROCKEFELLER, Jr. I do not undertake to direct the officers of the law, Mr. Chairman.

Chairman WALSH. I want to read you a letter that was written to you by Mr. Bowers, and ask you if it is true. You have respect for the authority of the people's representatives, you claim, always—do you?

Mr. ROCKEFELLER, Jr. I have respect for the duly elected authorities, certainly.

Chairman WALSH. All right. I will read you this letter of Mr. Bowers, dated November 18, 1913; but do you first, before you have respect for these officers, get them in a state of mind, by coercion on your part and by combining every great financial interest, to think your way before you give them that respect?

Mr. ROCKEFELLER, Jr. I do not undertake to get the officers of the law in any position, Mr. Walsh.

Chairman WALSH. I will read you now this letter from Mr. Bowers, of November 18; but before I get to that, Mr. Bowers has been in the employ of your father for many years?

Mr. ROCKEFELLER, Jr. He was formerly in the employ of my father. He is not now in his employ.

Chairman WALSH. How long was he in the employ of your father before he went to Colorado?

Mr. ROCKEFELLER, Jr. I should say, offhand, 10 years, and perhaps 12.

Chairman WALSH. I notice in one of the letters he says that your father and he had an understanding as to how he was to conduct himself toward the employees of the enterprises he was in some 20 years before the Colorado trouble. Did you notice that letter?

Mr. ROCKEFELLER, Jr. I don't recall the number of years, Mr. Chairman.

Chairman WALSH. What did he do for your father first?

Mr. ROCKEFELLER, Jr. Mr. Bowers was the—was related to my father as the head of the lake transportation—ore-transportation business.

Chairman WALSH. The lake ore transportation business. Did he have many employees under him there?

Mr. ROCKEFELLER, Jr. Quite a number.

Chairman WALSH. About how many?



Mr. ROCKEFELLER, Jr. I don't know.

Chairman WALSH. Didn't they have a strike while he was the representative of your father there?

Mr. ROCKEFELLER, Jr. That I can not recall.

Chairman WALSH. How long was he with the lake ore transportation before he went to Colorado?

Mr. ROCKEFELLER, Jr. My mind is not fresh on those dates, Mr. Chairman.

Chairman WALSH. Was it as much as 15 years?

Mr. ROCKEFELLER, Jr. I think he was with the Lake Transportation Co. until—if not right up to the time he went to Colorado, within a year or two, at least.

Chairman WALSH. How soon did he go to Colorado after your father secured the interest which he has in the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. I should say some years.

Chairman WALSH. Well, could you say about how long?

Mr. ROCKEFELLER, Jr. I should think five years.

Chairman WALSH. Had he ever lived in Colorado before?

Mr. ROCKEFELLER, Jr. That I don't know. I had not known that he had.

Chairman WALSH. Don't you know that he had never lived in Colorado?

Mr. ROCKEFELLER, Jr. No. It is my impression he had not, but I don't know it as a fact.

Chairman WALSH. You don't know it as a fact? Did he know Mr. Welborn or Mr. Madison or Mr. Weitzel before he went out there, so far as you know?

Mr. ROCKEFELLER, Jr. Not so far as I know.

Chairman WALSH. He went there as the representative of your father; did he not?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. What had he gone there as?

Mr. ROCKEFELLER, Jr. He went to Colorado because of his wife's health, as I stated very clearly in my testimony before the committee of Congress a year ago. Mr. Bowers's wife was ill and the doctors ordered her to go to Colorado, and Mr. Bowers of course went. When we knew that he was to be in Colorado we asked him if he would take time to acquaint himself with the interest which we had in the Colorado Fuel & Iron Co.

Chairman WALSH. Who asked him? Who do you mean by "we"?

Mr. ROCKEFELLER, Jr. I did, I presume, or some of my father's representatives.

Chairman WALSH. Didn't your father ask him?

Mr. ROCKEFELLER, Jr. My father was not in the habit of dealing personally with his representatives, Mr. Chairman.

Chairman WALSH. Now, do you remember whether it was you or some of your associates that asked Mr. Bowers to go out there?

Mr. ROCKEFELLER, Jr. I think very probably it was Mr. Gates. At that time he was active as one of my father's—one of the members of my father's staff. I think it was probably Mr. Gates.

Chairman WALSH. Were you present at the time he asked him?

Mr. ROCKEFELLER, Jr. I could not recall, Mr. Chairman, but I think not.

Chairman WALSH. In what capacity did he go out there?

Mr. ROCKEFELLER, Jr. He went out as—you mean, in what capacity did he look into the affairs of the company?

Chairman WALSH. Yes; who was he looking into them for?

Mr. ROCKEFELLER, Jr. For my father.

Chairman WALSH. And how long after he went out there was it before he became chairman of the executive board of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. That I can not state. It was some months. It might have been a year or more; but when he ceased—when he became connected with the Colorado Fuel & Iron Co., then he became a representative of all of the stockholders of the company. He was placed in any of the positions he held there in the regular way and regarded his duties to any other stockholder just the same as to my father.

Chairman WALSH. What is the regular way you have of appointing them? Just tell them there is a job, they can go take it?

Mr. ROCKEFELLER, Jr. Mr. Chairman, I object to that method—

Chairman WALSH. To what method?

Mr. ROCKEFELLER, Jr. Of implying that we have a method of appointing to office which is irregular.

Chairman WALSH. Well, I might explain to you the reason I asked it in that way was that you said in the New York hearing that Mr. Jerome Greene went off the board of directors of the Colorado Fuel & Iron Co., and that the place was filled automatically, as I remember it, by Mr. Ivy Lee. Don't you have a meeting of the stockholders? Don't the stockholders elect the directors in your companies?

Mr. ROCKEFELLER, Jr. Mr. Chairman, there again you are implying there are irregularities in our company. I am glad to give you any information, but I object again to your implying an irregularity.

Chairman WALSH. I will ask you the direct question, Do you just put in directors and take them out without action of the stockholders in your companies?

Mr. ROCKEFELLER, Jr. The stockholders, Mr. Chairman, elect directors in any company with which I have connection the same as they do in other companies, I presume, at their regular meetings. And, as you know, it is customary if a vacancy occurs in a board of directors between stockholders' meetings such vacancy for the unexpired period is ordinarily filled by the directors.

Chairman WALSH. Do you know what was done with Ivy Lee?

Mr. ROCKEFELLER, Jr. What is—

Chairman WALSH (interrupting). Was he elected by the stockholders or put in by the directors between meetings of the stockholders?

Mr. ROCKEFELLER, Jr. My impression is, and I think I am correct in saying that he was elected by the directors, because the stockholders' meeting comes in the fall, and he did not come on my father's staff until the first of the year. So that he was not elected until after that time; and it was doubtless at one of the stockholders' meetings. But I want it understood that that is the perfectly regular ordinary way of electing directors, and that is the procedure that was adopted.

Chairman WALSH. How did Mr. Murphy get on the executive board—Mr. Starr J. Murphy—of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. In just the same way.

Chairman WALSH. Was he made vice president in just the same way? Was he elected during an interim between meetings of stockholders, or elected by the stockholders?

Mr. ROCKEFELLER, Jr. I don't recall.

Chairman WALSH. Do you have the authority to veto the action of the board of directors of the Colorado Fuel & Iron Co. with respect to selecting members of the executive committee?

Mr. ROCKEFELLER, Jr. Do I personally—

Chairman WALSH (interrupting). Do you personally; yes?

Mr. ROCKEFELLER, Jr. I should have no other authority than any other director, Mr. Chairman, nor do I undertake to exercise any other authority.

Chairman WALSH. I will read you this letter of November 18, 1913. That was addressed to you two months after the strike:

"You will be interested to know that we have been able to secure the cooperation of all the bankers of the city, who have had three or four interviews with our little cowboy governor, agreeing to back the State and lend it all the funds necessary to maintain the militia and afford ample protection, so that our miners could return to work, or give protection to men who are anxious to come up here from Texas, New Mexico, and Kansas, together with some States farther east. Besides the bankers, the chamber of commerce, the real estate exchange, together with a great many of the best business men, have been urging the governor to take steps to drive these vicious agitators out of the State. Another mighty power has been rounded up in behalf of the operators by the gathering together of 14 of the editors of the most important newspapers in Denver, Pueblo, Trinidad, Walsenburg, Colorado Springs, and other of the larger places in the State."

Did you get that letter?

Mr. ROCKEFELLER, Jr. If it was directed to me, I naturally did.

Chairman WALSH. That expression "our little cowboy governor" referred to the governor of the State of Colorado, did it not?

Mr. ROCKEFELLER, Jr. The inference is quite as clear to you as to me.

Chairman WALSH. It also says:

"There probably has never been such pressure brought to bear upon any governor of this State by the strongest men in it as has been brought to bear upon Gov. Ammons."



Is that true?

Mr. ROCKEFELLER, Jr. Of that I can not judge.

Chairman WALSH. That is a letter you got from Mr. Bowers, the chairman of your executive board in Colorado, is it not?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. I will call to your attention a letter dated December 22, 1913, from the same source:

"DEAR MR. ROCKEFELLER: If the governor had acted in September 23 as he has been forced to act during the past few weeks, the strike would have never existed 10 days.

"We used every possible weapon to drive him into action, but he was glove in hand with the labor leaders and is to-day, but the big men of affairs have helped the operators in whipping the agitators, including the governor."

Did you get that letter?

Mr. ROCKEFELLER, Jr. If it is directed to me, I presume I did.

Chairman WALSH. "Now these fellows are cursing him without regard for common decency, so everybody is giving him more or less taffy to keep him from backsliding."

Now, that was the correspondence between you and the chairman of your executive board while this trouble was going on in Colorado, was it not?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. So the policy was to get bankers and powerful people to whip these people into line and give them taffy and talk nice to them to keep them with you and to defeat these men on the strike?

Mr. ROCKEFELLER, Jr. That is apparent—

Chairman WALSH (interrupting). That is apparently the policy of Mr. Bowers. I am bringing this down to your responsibility to show whether or not it was the policy of Mr. Bowers, your executive officer in the field, who was reporting to you personally.

Mr. ROCKEFELLER, Jr. Did I write that letter or Mr. Bowers?

Chairman WALSH. How is that?

Mr. ROCKEFELLER, Jr. Did I write that letter?

Chairman WALSH. It is written by Mr. Bowers.

Mr. ROCKEFELLER, Jr. How can it be my policy then?

Chairman WALSH. You asked me the question. I will tell you, although I will say that hereafter the same rule must be applied to you as to others, that we do not answer questions. I will reply to your question by saying that I am going to read you six letters in a few minutes in which you say you back up every bit of this.

Mr. ROCKEFELLER, Jr. You asked me, Mr. Chairman, whether that was my policy.

Chairman WALSH. Whether that was your policy; yes.

Mr. ROCKEFELLER, Jr. I have stated in my statement of yesterday that neither I nor my associates ever initiated a policy or directed the details of the strike, or anything in connection with it. That statement is true. I did not initiate that policy, and did not frame it and the policy, Mr. Chairman, is simply this: It simply means that there was disorder in the State of Colorado, and naturally every citizen would use what influence he could to bring the authorities to protect life and property, and if he failed to use such influence as he properly could, to move the authorities if they were sluggish in moving, to protect life and property, I should think he was derelict in his duty, and evidently that was the view shared by a very large number of people of high standing in Colorado from that letter, which says that these various groups joined in undertaking to have the properly constituted authorities afford the protection which should be afforded to life and property. That was, of course, the first step to take to try to have the proper authorities act.

Chairman WALSH. So that you had this crowd cooperate with Mr. Bowers, as director of the Colorado Fuel & Iron Co., under this interpretation that you have just given? You agreed, then, with all that Mr. Bowers said and co-operated with him; is that correct?

Mr. ROCKEFELLER, Jr. I did not either agree or disagree. I made no expression about the details of the letter of Mr. Bowers, referred to, nor in the various letters to which you make reference, in which I stated that I stood back of the officials of the Colorado Fuel & Iron Co. I meant that when they did things that they were doing, and as we believed they were doing, in the interest of justice and of law and order and the proper administration of the trust which had been placed in their hands, men of standing and of reputa-

tion, we, of course, stood back of them, and I fancy, Mr. Chairman, it would be impossible to secure men of any ability or character to fill positions of trust in the administration of business, either large or small, unless those who are owners of and directors of such properties stood back of the men whom they put in such positions.

We consider it to be the duty of the men whom we place in charge to take such action as they saw fit, and just the moment an occasion should arise when there was a reason to feel that these men were not doing what was right it was our duty to remonstrate with them or replace them.

Chairman WALSH. So you do stand for this condition and for this interpretation:

"We used every possible weapon to drive the governor into action, but he was glove in hand with the labor leaders, and is to-day, but the big men of affairs have helped the operators in whipping the agitators, including the governor.

"Now, these fellows are cursing him without regard for common decency, so everybody is giving him more or less taffy to keep him from backsliding."

Mr. ROCKEFELLER, Jr. Mr. Chairman, I object again——

Chairman WALSH. Don't you know that the deportation of individuals was a crime; that it was a crime to drive a man, even though you called him an agitator, out of the State, and that it was a crime on the part of the governor?

Mr. ROCKEFELLER, Jr. I am not familiar with that.

Chairman WALSH. You are not familiar with that?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. I just wanted to get back to one little question here, as to the price of coal in Colorado. The first letter addressed to Mr. Welborn—the telegrams—was what?

Mr. ROCKEFELLER, Jr. May I interrupt to hand you the only copy I have of that statement that you asked for? It appears in the New York Times of the morning afterwards.

Chairman WALSH. That includes the suggestions that you made to Mr. Lee to give to Maj. Boughton to put into a letter to Gov. Ammons?

Mr. ROCKEFELLER, Jr. I think you have not quite stated the case as it was. That does not include the suggestion that I made to Mr. Lee to put in a letter. It included a statement that I had prepared some time previously in answer to certain suggestions or statements which appeared in various publications, a rough draft of such a statement, which I had never used. When this matter came up Mr. Lee——

Chairman WALSH. What matter?

Mr. ROCKEFELLER, Jr. The matter of making some suggestions——

Chairman WALSH. To whom?

Mr. ROCKEFELLER, Jr. To Maj. Boughton.

Chairman WALSH. For what purpose?

Mr. ROCKEFELLER, Jr. For the purpose of suggesting how, at his request, matters in Colorado could be brought before the attention of the public.

Chairman WALSH. Was it not for the purpose of giving it to Gov. Ammons to put in a letter which you hoped to be addressed to the President of the United States and the governors of the several States?

Mr. ROCKEFELLER, Jr. Now, again, Mr. Chairman, I must object. You are trying to make it appear that I prepared a statement. I did not prepare a statement and did not have anything to do with the statement.

Chairman WALSH. Will you answer the question?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. Was the memoranda which you have now given me intended to be given to Mr. Lee to incorporate in a letter which was to be given to Maj. Boughton, and the memoranda then to be given for the signature of the governor of the State of Colorado for any purpose?

Mr. ROCKEFELLER, Jr. It was a memorandum which was sent to Mr. Lee because it contained certain facts culled from various statements which had been made which I thought he might find useful in the consideration of that letter.

Chairman WALSH. What letter?

Mr. ROCKEFELLER, Jr. The letter from the governor.

Chairman WALSH. What governor?

Mr. ROCKEFELLER, Jr. From Gov. Ammons, of Colorado.

Chairman WALSH. To be sent to whom?



Mr. ROCKEFELLER, Jr. To be sent, as Mr. Lee states, to the President of the United States and governors of other States with reference to matters in Colorado.

Chairman WALSH. Now, coming to this other matter—

Mr. ROCKEFELLER, Jr. Allow me not to leave in your mind the idea that this statement of mine was prepared with reference to the letter which Mr. Lee was suggesting to Maj. Boughton. It was simply a memorandum in my files prepared weeks before, and when the question of preparing such letter—when the suggestion was up—I said, “Here are certain data which may be suggestive.”

That was the whole and sole purpose of it.

Chairman WALSH. Didn't you say that it might be well to use it in the letter of Gov. Ammons to the President?

Mr. ROCKEFELLER, Jr. I do not recall that I made any suggestion as to using that thing which I have characterized as a rough draft—

Chairman WALSH. If you had said in any letter that you had turned over the memorandum and that you thought it was good to use in the letter Mr. Lee was addressing to Gov. Ammons, it was a mistake?

Mr. ROCKEFELLER, Jr. I do not think I said that. It is possible that I said it might be used in connection with the draft which he was preparing.

Chairman WALSH (after reading letter). That is the letter you wrote?

Mr. ROCKEFELLER, Jr. Exactly.

Chairman WALSH. Now, you may go to the letter that you got from Mr. Bowers, or the telegram, with reference to the price of coal in the winter that the strike started.

Mr. ROCKEFELLER, Jr. Do you mean the quotation from my statement or telegram I read you later?

Chairman WALSH. The quotation from your statement first—I just want the date of it; I do not want you to read it again, unless you desire to do so.

Mr. ROCKEFELLER, Jr. This quotation from Mr. Welborn's letter—the date of the letter, as I stated yesterday, I think it is—I think it does not appear in this; the date of the telegram does not appear.

Chairman WALSH. It was within the last month, was it not?

Mr. ROCKEFELLER, Jr. Yes; I think so; it was just about the time I made this statement in the paper.

Chairman WALSH. This telegram that you read later?

Mr. ROCKEFELLER, Jr. That was dated May 15, as I said yesterday.

Chairman WALSH. Now, I must confess, to my mind, they both were a little involved. Do you say now that you understand the effect of those two telegrams to be that Mr. Welborn denies that the price of lignite coal, which was the kind you had, you stated, was raised the winter after the strike started?

Mr. ROCKEFELLER, Jr. Mr. Chairman, I can of course only speak for the coal which was sold by the Colorado Fuel & Iron Co.

Chairman WALSH. Was that the same as lignite?

Mr. ROCKEFELLER, Jr. I think that is what the telegram says.

Chairman WALSH. To bring this matter to a close the attorney general at that time, named Farrar, is the present attorney general?

Mr. ROCKEFELLER, Jr. I believe he is.

Chairman WALSH. He was reelected; don't you know it is a fact that Mr. Farrar, the attorney general, went to the governor in person and asked the governor to use the militia of the State of Colorado to install the strike breakers in your mine, and that he so testified before this commission at Denver, Colo.?

Mr. ROCKEFELLER, Jr. I know nothing of that.

Chairman WALSH. I will now read you, Mr. Rockefeller, from the testimony of the same attorney general, given before our commission while we were holding our hearing in Colorado; the present attorney general, and he was at the time this strike started and was during the strike and was attorney general in the Lawson case:

“Mr. FARRAR (continuing). That was an absolute military necessity; it would be an absolute necessity to keep strike breakers out in order to maintain order. There was also a practical question involved, and that was that coal was prohibitive both in price and in supply. Winter was coming on and coal was selling here, and I mean lignite coal, such as we produce, at from \$9 to \$10 per ton and could not be procured in sufficient quantities at that price.”

Mr. ROCKEFELLER, Jr. May I ask who the Mr. Farrar is who is speaking?

Chairman WALSH. The attorney general of the State of Colorado, testifying before our commission. Do you want this commission to gather from the letters you read from Mr. Welborn that this statement is not correct; that it is an error and untrue?

Mr. ROCKEFELLER, Jr. Of course, the commission must gather what information they like from that statement. I would not for a moment say that it was not given in the best of faith and in the belief on the part of the person giving it that it was accurate, and that it should be entitled to consideration as I should be entitled to consideration for the statements I make; and that it was made in good faith by the president of the company.

Chairman WALSH. Do you claim that the president of your company, in those two telegrams, claims that the price of coal was not increased to \$9 or \$10 a ton, as testified to by the attorney general?

Mr. ROCKEFELLER, Jr. He makes no reference to that; and I am not attempting to speak as to the price that might be put on coal; but I am speaking, and he was, too, for the Colorado Fuel & Iron Co.

Chairman WALSH. As a director of the Colorado Fuel & Iron Co., engaged in that great public utility of providing fuel for the wants of the people of the State of Colorado, did you or did you not know that the price of coal was prohibitive to the people and could not be had while the strike was going on?

Mr. ROCKEFELLER, Jr. I have Mr. Welborn's statement to the effect that the price of coal was not changed or the supply diminished, except when the snow tied up traffic. I read you that and I make no statement other than I have read.

Chairman WALSH. As a director of the Colorado Fuel & Iron Co., engaged in that important utility, you have no personal knowledge as to whether or not the people were deprived of coal while the strike was going on?

Mr. ROCKEFELLER, Jr. I have the knowledge the president gave me in his statement.

Chairman WALSH. That is within the last month that you got that?

Mr. ROCKEFELLER, Jr. But the statement covers the period under discussion.

Chairman WALSH. I am now trying to discuss your own knowledge as a director of the Colorado Fuel & Iron Co., mining what percentage of coal mined in the State of Colorado; 40 per cent?

Mr. ROCKEFELLER, Jr. Something like that.

Chairman WALSH. And you say you do not know the price that coal sold in Colorado in the winter following the strike?

Mr. ROCKEFELLER, Jr. No; I never know what the price of coal is there, and do not pretend to know.

Chairman WALSH. Did you hear the testimony of Mr. Doyle given before this commission?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. You knew—you were advised by Mr. Bowers that one of the grievances of the strikers was that they were not allowed checkweighmen?

Mr. ROCKEFELLER, Jr. That statement was contained in one of Mr. Bowers's letters, which you have.

Chairman WALSH. Did you hear or read the charges made that your company cheated in weights?

Mr. ROCKEFELLER, Jr. Where did I hear them made, Mr. Chairman?

Chairman WALSH. Haven't you read the newspapers and read the statement of Mr. Doyle, the representative of the miners, given before this commission?

Mr. ROCKEFELLER, Jr. Yes; you are asking me where did I hear it, and I don't know, but I have heard the statement has been made that the coal operators did what you say.

Chairman WALSH. Cheated. If they did, you would say that was a contemptible crime?

Mr. ROCKEFELLER, Jr. Absolutely.

Chairman WALSH. If the company cheated the men digging coal under the ground out of pay for their service?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. And if it was done, it ought to be prosecuted to the last degree?

Mr. ROCKEFELLER, Jr. We do not disagree on that, Mr. Chairman.

Chairman WALSH. Did your company cheat?

Mr. ROCKEFELLER, Jr. Not to my knowledge.

Chairman WALSH. Not to your knowledge.



Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. To your knowledge did the other companies combine with your company?

Mr. ROCKEFELLER, Jr. We never combined with any other company.

Chairman WALSH. Didn't Mr. Ivy Lee represent all of the mine operators of Colorado when he was putting out this publicity, claiming to be facts, in regard to Colorado?

Mr. ROCKEFELLER, Jr. Mr. Chairman, what connection has that with the question of checkweighmen?

Chairman WALSH. I am just coming to it.

Mr. ROCKEFELLER, Jr. You know that Mr. Lee was acting for the three operators who formed a committee representing the various operators.

Chairman WALSH. Your company formed a committee with the other coal operators to fight the United Mine Workers of America, or strikers in that field?

Mr. ROCKEFELLER, Jr. There was no effort at any time to fight anyone.

Chairman WALSH. Well, to contest with them?

Mr. ROCKEFELLER, Jr. The effort was to maintain and protect life and property and conduct the business.

Chairman WALSH. And also to obtain publicity is what you got Ivy Lee for?

Mr. ROCKEFELLER, Jr. Certainly.

Chairman WALSH. And to conduct what you call a union educational campaign?

Mr. ROCKEFELLER, Jr. What I call?

Chairman WALSH. Yes; in your letter to Mr. Lee.

Mr. ROCKEFELLER, Jr. I do not recall that any such educational campaign was ever undertaken. That is correct, Mr. Chairman.

Chairman WALSH. You did so at that time.

Mr. ROCKEFELLER, Jr. There is a statement in the letter. Allow me to make that clear: There is a statement in the letter as to the possible wisdom of undertaking to make publications which would give the public further knowledge with reference to the unions of the country; that was not undertaken. The purpose was that the facts might be known; it was as much in the interests of the unions as not in the interest of the unions. It was to present the facts; and that was the entire purpose of the publicity campaign.

Chairman WALSH. So you called it a union educational campaign in your letter?

Mr. ROCKEFELLER, Jr. I think there is reference of that kind made, but, as I say, that was never undertaken.

Chairman WALSH. You just proposed that?

Mr. ROCKEFELLER, Jr. I don't know whether I proposed it or I discussed it with my colleagues, but I think it would have been a very useful service to perform, but it was not undertaken.

Chairman WALSH. We will get to that later, and see how much was done.

Mr. ROCKEFELLER, Jr. I will say nothing was done on that program that you refer to.

Chairman WALSH. I don't care what you call it, but Mr. Lee did send out the facts in the publicity campaign for the coal operators of Colorado?

Mr. ROCKEFELLER, Jr. Mr. Lee sent out nothing; the three operators that formed the committee—

Chairman WALSH (interrupting). Mr. Lee wrote it?

Mr. ROCKEFELLER, Jr. My typewriter writes the letters that I sign; is he responsible for them?

Chairman WALSH. Did your father pay Mr. Lee for his services in that connection?

Mr. ROCKEFELLER, Jr. He did.

Chairman WALSH. Then you did do it?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. Even though you hired the man that wrote the stuff and paid him \$6,000 for sending it from Philadelphia to Denver, you still say that you and your father didn't send that stuff out?

Mr. ROCKEFELLER, Jr. I think it is fair that you have all sides of this question, and if you will call to mind again the conditions under which that arrangement that my father would pay the whole, or any portion of Mr. Lee's compensation—

Chairman WALSH (interrupting). It is perfectly clear to my mind.

Mr. ROCKEFELLER, Jr. You seem to be confused. The suggestion was made to Mr. Welborn and the operators' committee that we regarded it of the utmost importance to the companies of Colorado and the people of Colorado, all of whom were being attacked publicly, and misrepresented, that the facts should be presented. We regarded it of such importance to the various interests that while we assumed the operators would want to bear the expense in whole or in part, at least, as far as they were able, that the whole matter was left entirely in their hands. As to their part of the expense, whatever they thought they could bear, well and good, and what they could not, we would bear. There was nothing concealed about it, nothing to be ashamed of, it was a perfectly open business transaction.

Chairman WALSH. But your father did pay him \$6,000 for sending out the alleged facts in behalf of all of the operators engaged in the contest in Colorado?

Mr. ROCKEFELLER, Jr. There were three people that took the responsibility for everything that was sent out, and those three operators were the ones that formed that committee.

Chairman WALSH. And your father paid the actual money to Mr. Lee for getting out these bulletins of the alleged facts, sending them from Philadelphia to Denver, and from there sending them out over the country?

Mr. ROCKEFELLER, Jr. If that is the way it was done.

Chairman WALSH. Who was Mr. Starr J. Murphy?

Mr. ROCKEFELLER, Jr. He is one of my associates and a member of my father's staff.

Chairman WALSH. Was he a director of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. He is.

Chairman WALSH. Was he during the strike a director of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. He was.

Chairman WALSH. And he is also a member of your father's staff?

Mr. ROCKEFELLER, Jr. Yes, sir; and that is why he is a director, as one of my father's representatives.

Chairman WALSH. He is a representative of your father?

Mr. ROCKEFELLER, Jr. Yes, sir; on the board of directors of the fuel company.

Chairman WALSH. And represents you to that extent?

Mr. ROCKEFELLER, Jr. I am also a director; we are representing the interests.

Chairman WALSH. I will read you from a letter written by Mr. L. M. Bowers, September 19, 1913, which was four days before this strike was called, and call your attention—

Mr. ROCKEFELLER, Jr. That was before the strike was called?

Chairman WALSH. Yes, sir.

Mr. ROCKEFELLER, Jr. The strike was called—I thought it was called the 16th.

Chairman WALSH. September 23.

Mr. ROCKEFELLER, Jr. But that was the day it took effect. The day the convention met—

Chairman WALSH. The day the strike was called and the men left your mine was the 23d.

Mr. ROCKEFELLER, Jr. The convention met on the 16th and the strike was determined on on that day.

Commissioner LENNON. My remembrance is that the convention met on the 16th.

Mr. ROCKEFELLER, Jr. And it didn't take effect until the 23d.

Chairman WALSH. And your men went out on the 23d?

Mr. ROCKEFELLER, Jr. As I remember it.

Chairman WALSH. And you were at Seal Harbor at that time?

Mr. ROCKEFELLER, Jr. I may have been there, but I think I had returned to New York.

Chairman WALSH. They wired you as soon as the strike was called?

Mr. ROCKEFELLER, Jr. If they say so in the correspondence.

Chairman WALSH. What do you say about it?

Mr. ROCKEFELLER, Jr. I don't recall.

Chairman WALSH. Did you send them a wire on the 23d that you were exceedingly gratified by the showing made by them?

Mr. ROCKEFELLER, Jr. I don't recall.

Chairman WALSH. I will come down to this letter written by Mr. Bowers to Starr J. Murphy, "As our miners shift more or less new men are coming all



the while; about a year ago Mr. Welborn and the writer were discussing these questions, because one or two competitive companies—both of whom tried to interest Mr. Cooper in their bonds—were cheating their miners by false weights."

Did Mr. Murphy bring that information to you?

Mr. ROCKEFELLER, Jr. I presume I read the letter.

Chairman WALSH. Now, did you notify the authorities on September 19 that the abominable crime of robbing laborers that were digging this coal was carried on by some of the coal companies out there?

Mr. ROCKEFELLER, Jr. I don't presume I did.

Chairman WALSH. Do you call yourself an accessory after the offense for not doing so?

Mr. ROCKEFELLER, Jr. If I am, I am in the same class with the commissioners.

Chairman WALSH. You think I am in the same class with you? I have called attention to it and ask that those men be prosecuted. Will you do the same and will you give the names and get Mr. Bowers to go out there as a witness in prosecuting those men?

Mr. ROCKEFELLER, Jr. I don't regard it as part of my duties.

Chairman WALSH. I will ask you if it is a fact that after you knew those miners were being robbed by those companies that you joined those companies, and that your father paid for the information that was sent broadcast throughout the country that there was no just ground for the claim of the miners that they were being robbed and wanted a checkweighman?

Mr. ROCKEFELLER, Jr. It is a fact that this letter was written as you stated. It is a fact that that letter states just what it does with reference to the conditions in regard to checkweighmen.

Chairman WALSH. They were cheating the men?

Mr. ROCKEFELLER, Jr. That is what the letter stated.

Chairman WALSH. That is the truth.

Mr. ROCKEFELLER, Jr. I presume it is; I have no more knowledge than you have of the fact.

Chairman WALSH. What were the names of the companies?

Mr. ROCKEFELLER, Jr. I have no idea.

Chairman WALSH. Did you not ask Mr. Bowers before you joined with these companies who those companies were that were doing this robbery of those poor men?

Mr. ROCKEFELLER, Jr. I had nothing to do with the officials of the company joining with the other companies in any action they took.

Chairman WALSH. But you were a director?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. And your father's personal funds paid for sending out this information that stated to the people of Colorado that the miners were making false charges against all of these companies.

Mr. ROCKEFELLER, Jr. It is easy to make charges.

Chairman WALSH. You have some doubt about this—about the men being robbed, although Bowers, the chairman of your executive board, wrote it to you?

Mr. ROCKEFELLER, Jr. You say all the companies?

Chairman WALSH. No; the two competitive companies.

Mr. ROCKEFELLER, Jr. Whatever Mr. Bowers says I have every reason to believe that he believed it was true. Beyond that I can not deny or confirm it.

Chairman WALSH. Mr. Commissioner Weinstock desires me to read this over again:

"As our miners shift more or less and new men are coming all the while; about a year ago Mr. Welborn and the writer were discussing these questions, because one or two competitive companies—both of whom tried to interest Mr. Cooper in their bonds—were cheating their miners by false weights."

Chairman WALSH. Who was Mr. Cooper?

Mr. ROCKEFELLER, Jr. I never heard of him.

Chairman WALSH. What were the names of the two companies that were cheating?

Mr. ROCKEFELLER, Jr. I do not know.

Chairman WALSH. Have you asked Mr. Bowers?

Mr. ROCKEFELLER, Jr. I have not.

Chairman WALSH. Did you discuss this letter with your lawyer?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. Have you discussed it with Mr. Lee?

Mr. ROCKEFELLER, Jr. I have not.

Chairman WALSH. I will ask you a direct question, bearing upon the developments we have heard as to the cause of industrial unrest. A gentleman—Mr. Weinstock wanted me to ask you; he said that he did not know the names of those companies or who they were. Were these competitive companies? Were they the competitive companies that joined with Welborn?

Mr. ROCKEFELLER, Jr. I have no idea.

Chairman WALSH. There was a gentleman went on the witness stand here, and in answer to a very proper question from one of the commissioners, as to whether or not he believed the McNamara brothers were criminals—you know who they are, of course—they were the men that were convicted or pleaded guilty to a very atrocious crime in Los Angeles. You have read about it, of course?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. The question was asked of the witness on the witness stand whether or not he believed the McNamara brothers were criminals and his answer was a very shocking one to most of us. He said the McNamara brothers had committed no crime against his class or the better order of society, and although they pleaded guilty and were convicted, that he did not believe they were criminals. A man named Kubylak, who was questioned on the stand, said that he had been driven from the coal fields of another State, not yours, because after being appointed checkweighman by the men, and discovering that the company were cheating, that they drove him from the camp and charged him with high treason, punishable by death, and agreed if he would leave they would excuse him from the charge of treason, and he left. He said that he believed, that while the men generally were treated as he was, and were set upon violently by officers of the law, even though they were officers of the law, that he felt that he had a right to resist them, and then explained. A number of witnesses have explained that that is what is called class consciousness. Now, I want to ask you whether or not the fact that yourself, or Mr. Bowers, or Mr. Welborn did not call the attention of the authorities or publicly denounce these men that were robbing the poor, and the laborer of his hire, was not due to a sort of class consciousness in your mind, that you ought to stick together, no matter what the offense was that the other companies did?

Mr. ROCKEFELLER, Jr. Absolutely not. I have no idea what Mr. Bowers's motives in doing or not doing that might have been. I fancy they are the same as yours or mine in the town that we live, where we might happen to know that certain saloons were not closing at the hour they should close, and we might know a number of other things of that kind. Would you or I stop to bring charges against them or any other person that we might know were breaking the law?

Chairman WALSH. If I must answer your question, if I owned a saloon like the Colorado Fuel & Iron Co. do in Colorado, through accepting an immense rental out of the profit, and I would be very particular in closing that saloon, and would close it, and as long as you asked the question, I want to ask you if it is your sense of responsibility as a director of the Colorado Fuel & Iron Co., when you discovered that the owners of mines, situated as you are charged, with some crime, that you are charged with, by your workingmen, and you discovered that that crime is being committed, do you consider that you bear a different relation to that crime than the ordinary citizen does? Hereafter, I will direct my questions to you and will have answers direct.

Now, did Mr. Lee send out alleged facts stating that there was no just basis for the grievance that the miners had in Colorado, to wit, that they were not allowed checkweighmen, and were being robbed by false weights on the part of the company?

Mr. ROCKEFELLER, Jr. I will say that Mr. Lee never sent out anything; the operators' committee sent it out.

Chairman WALSH. Did Mr. Lee send them by his own hand from Pennsylvania to Denver, there to be sent out?

Mr. ROCKEFELLER, Jr. The operators' committee took the responsibility.

Chairman WALSH. Please answer my question; didn't Mr. Lee send them to the mine operators at Denver, and they sent them out there, so it would appear as if they were sent from Denver originally?

Mr. ROCKEFELLER, Jr. I take exception to your question, because you are putting on Mr. Lee the responsibility for sending out these matters. He had a



perfect right to do what he did and did it with the concurrence of the operators' committee, and they assumed the responsibility for everything that was sent out.

Chairman WALSH. I will ask you to answer my question; were these bulletins of alleged facts sent by Ivy Lee's own hand from Philadelphia to Denver to be sent out there?

Mr. ROCKEFELLER, Jr. I will have to answer that—

Chairman WALSH. Did he tell you that he did?

Mr. ROCKEFELLER, Jr. I don't recall.

Chairman WALSH. Did you read his testimony in New York that he did?

Mr. ROCKEFELLER, Jr. I knew the bulletins were printed in Philadelphia, where he was.

Chairman WALSH. And don't you know that he sent them out?

Mr. ROCKEFELLER, Jr. I don't know whether he sent them, or his office boy or secretary.

Chairman WALSH. Whatever Mr. Lee sent out then from his office was either by himself, the office boy, or secretary, and was sent from Philadelphia to Denver to be sent out there?

Mr. ROCKEFELLER, Jr. They were sent from Philadelphia.

Chairman WALSH. And from Mr. Lee's office?

Mr. ROCKEFELLER, Jr. It was by Mr. Lee's direction that they were sent.

Chairman WALSH. Now, as to the power that you had toward controlling these officers, I want to ask you if this did not appear in the letter of Mr. Bowers to you personally, of the date, October 21, 1913:

"At our annual meeting yesterday the matter of having a vice president in New York was taken up. We thought it very desirable that we have an officer there, and a lawyer preferred, so we elected Mr. Murphy as vice president and a member of the executive committee. I have written Mr. Murphy that if this is not in accord with your wishes we can change it at any executive committee meeting."

Did you get that letter from Mr. Bowers to the effect that they had elected out there in Colorado Mr. Murphy, who I take it to be Starr J. Murphy, the vice president of your company, but that if you wished it, they would reverse that action at once, as soon as they heard from you?

Mr. ROCKEFELLER, Jr. The letter is perfectly clear.

Chairman WALSH. And if you had said to them, "I don't want him," off he would have come?

Mr. ROCKEFELLER, Jr. I think we would have a perfect right to say whether people in our office shall fill certain positions or not, where they are representing an interest we have. If we thought it was best for him not to take up that position on account of his other duties we would have had a perfect right to say so, I think.

Chairman WALSH. I am asking about the power, if that was not in accord with your wishes off he would come?

Mr. ROCKEFELLER, Jr. I suppose that anyone employed by another naturally is under the direction of the person that employs him, and Mr. Murphy would not have taken the position unless we were willing that he should be, but I did not know it until after it was done, and it was done by the officers at their meeting.

Chairman WALSH. I note that. But if you did not want Mr. Murphy on the executive board all you would have had to do would have been to say that it was not your wish, and off he would have come?

Mr. ROCKEFELLER, Jr. I assume that he would be glad to do what his principal wanted him to do, if he was under salary.

Chairman WALSH. Although he was elected by the board of directors of the Colorado Fuel & Iron Co., of Denver, as vice president and member of the executive board, you had the power to veto that and put him off of the board if it did not conform to your wishes?

Mr. ROCKEFELLER, Jr. That power was not—

Chairman WALSH. Did you have the power, answer yes or no, and then make any explanation you wish.

Mr. ROCKEFELLER, Jr. Of course we had the power.

Chairman WALSH. You, I say, not we. Did you have the power?

Mr. ROCKEFELLER, Jr. Our office had the power.

Chairman WALSH. I will read this to you again, and if you don't want to answer it, say yes or no, and I will leave the subject. This was directed to John D. Rockefeller, Jr.:

"At our annual meeting yesterday the matter of having a vice president in New York was taken up. We thought it very desirable that we have an officer here, a lawyer preferred, so we elected Mr. Murphy as vice president and a member of the executive committee. I have written Mr. Murphy that if it is not in accord with your wishes we can change it at any executive committee meeting."

That was the letter you received?

Mr. ROCKEFELLER, Jr. Yes, sir; and I——

Chairman WALSH (interrupting). And if you wished, you could have taken him off?

Mr. ROCKEFELLER, Jr. And if I answered yes or no I will not give the facts.

Chairman WALSH. Then you may omit the answer. You received that letter and he said if it was your wish they would take him off?

Mr. ROCKEFELLER, Jr. If you want me to give the facts, I will state them; but the facts can not be given by saying yes or no; I will give you a false impression. If you don't want to pursue the question or get at the facts, very good.

Chairman WALSH. I do desire to get at them, but I desire to get at them as facts, and I might say that these long involved answers that do not state the facts and that wind up by saying that you do not recall, do not furnish any illumination——

Mr. ROCKEFELLER, Jr. (interrupting). Mr. Chairman, I sat here all yesterday morning and heard another witness testify, and a large part of the afternoon, and he was permitted to speak on without interference; and I think I am entitled to the same consideration as any other witness.

Chairman WALSH. Just the same; yes.

Mr. ROCKEFELLER, Jr. That is all I am asking; yes, sir.

Chairman WALSH. Mr. Commissioner Weinstock suggests that you answer yes or no, and then qualify it any way you please. That is the rule we have applied all along to other witnesses. Will you accept that rule?

Mr. ROCKEFELLER, Jr. I certainly will if you will permit me to answer the question yes or no and then add my explanation.

Chairman WALSH. You may say yes or no and then make any explanation thereof that you see fit.

Mr. ROCKEFELLER, Jr. Well, then, I misunderstood your question.

Chairman WALSH. You entirely misunderstood me.

Mr. ROCKEFELLER, Jr. Very well. I will be glad to make any reply——

Chairman WALSH (interrupting). Read the last question, Mr. Reporter. I don't want to have it appear there that I required you to answer yes or no without an opportunity to explain.

(It was ascertained on reading by the reporter that the portion of the testimony sought was in that taken by the preceding reporter, not at the moment present.)

Mr. ROCKEFELLER, Jr. I will say if that is your position——

Chairman WALSH. My position is that if possible you must answer yes or no; and then you are entitled, of course, to qualify your answer in any way that you see fit, or to make any explanation in regard thereto that you have to make. Now, I would like to keep to a consistent line of questions. So I am going to ask you again if it is not a fact that you had the power individually, you, John D. Rockefeller, Jr., to veto the action of the board of directors in the important matter of selecting a vice president for the company and a member of the executive committee?

Mr. ROCKEFELLER, Jr. And I may make the explanation after I answer?

Chairman WALSH. After you answer yes or no.

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. You had the power?

Mr. ROCKEFELLER, Jr. Yes; I had the power; and I would like to state how I had the power.

Chairman WALSH. Very good. Make any explanation you see fit.

Mr. ROCKEFELLER, Jr. Simply that the man who was appointed to this position was in the employ of my father. I was representing my father and in charge of that employee in his office. That is, a member of his staff would not expect to take a position, representing my father's interests, which my father, through me, did not think it desirable that he should take or did not want him to take or did not want him to take the time to fill. Now, for that reason, of course, if I had said to Mr. Murphy, "Mr. Bowers has suggested, and the



officers or directors have elected you to this position, but I do not feel that you can take the time to fill this position," of course Mr. Murphy would have withdrawn from it and would have been perfectly justified in so doing, and I would have been perfectly justified in asking him. But the question, as put, implies that my relation to the Colorado Fuel & Iron Co. was such as to give me this power. It was not that. It was my relation to Mr. Murphy.

Chairman WALSH. But you had the power?

Mr. ROCKEFELLER, Jr. I had the power, as I have stated, to begin with; but I had the power not by virtue of my relation to the Fuel & Iron Co., but by virtue of my relations to Mr. Murphy.

Chairman WALSH. Regardless of how you had it, he would go?

Mr. ROCKEFELLER, Jr. Perfectly true.

Chairman WALSH. That would apply to Mr. Lee, too, I believe?

Mr. ROCKEFELLER, Jr. Certainly, because those gentlemen were representing our interests there.

Chairman WALSH. And it applies to Jerome Greene?

Mr. ROCKEFELLER, Jr. He is no longer on our staff.

Chairman WALSH. But when he was a director, that applied to him?

Mr. ROCKEFELLER, Jr. Applies to any man—

Chairman WALSH (interrupting). And that applied to—

Mr. ROCKEFELLER, Jr. (interrupting). Applied to any man who does not wish to appear himself on boards, but who is entitled through his stockholdings to have representatives.

Chairman WALSH. And that would apply to C. O. Heydt?

Mr. ROCKEFELLER, Jr. Certainly.

Chairman WALSH. And you pay them for their work they do in their positions, and then you control the question as to whether or not they shall go on and off your boards of other corporations?

Mr. ROCKEFELLER, Jr. Why, certainly. Where they are representing us, we naturally control. It is hardly—it would hardly be proper that they should control.

Chairman WALSH. No; you are paying them, and they have to do it.

Mr. ROCKEFELLER, Jr. Why, certainly.

Chairman WALSH. As you wish?

Mr. ROCKEFELLER, Jr. Certainly; they have to expect to take such positions as we ask them to take.

Chairman WALSH. As you are willing for them to take; and if the board of directors of one of your companies puts one of them on, and it don't meet with your wishes, you put them off again? You have the power to put them off?

Mr. ROCKEFELLER, Jr. Certainly.

Chairman WALSH. I was just trying—

Mr. ROCKEFELLER, Jr. (interrupting). Certainly.

Chairman WALSH. That was on the question of your responsibility and power.

Mr. ROCKEFELLER, Jr. Certainly; no question about it.

Chairman WALSH. Now, do you recall the letter in which Mr. Bowers wrote to your father with regard to the welfare work, what he called the uplifting of the employees, in which he said that he had a talk with your father upon that subject more than 20 years ago when he first went in, and that they understood each other perfectly?

Mr. ROCKEFELLER, Jr. No; I don't recall that.

Chairman WALSH. I may not have quoted that in—

Mr. ROCKEFELLER, Jr. (interrupting). But I don't doubt the facts are substantially as you state them.

Chairman WALSH. But you recall reading the letter, do you not, since you have been here?

Mr. ROCKEFELLER, Jr. It does not remain in my mind.

Chairman WALSH. That is in the letter of September 29, 1913, six days after the strike. He says, "I told your father in the first interview that we ever had, nearly 20 years ago, I would flatly refuse to be connected with any business enterprise where I would be handicapped in uplifting and benefiting mankind, especially those in our employ." You recall that now, do you not?

Mr. ROCKEFELLER, Jr. Well, I think I recall that.

Chairman WALSH. And your father and Mr. Bowers were well known to each other?

Mr. ROCKEFELLER, Jr. I don't suppose my father has seen Mr. Bowers six times in his life. I may be wrong about it.

Chairman WALSH. They were not well acquainted with each other?

Mr. ROCKEFELLER, Jr. Not through personal relations at all; only so far as Mr. Bowers was in business connections with my father.

Chairman WALSH. How often did Mr. Gates see your father in the last 16 years he was connected with him?

Mr. ROCKEFELLER, Jr. Many years went by that he did not see him at all.

Chairman WALSH. And he was on his personal staff?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. And take Mr. Jerome Greene; I think the testimony was that he saw him twice in five years, and he was on his personal staff.

Mr. ROCKEFELLER, Jr. I hardly think that could be correct, because Mr. Greene was not in relation to our affairs five years ago.

Chairman WALSH. Wasn't he? How often did he see him during the time he was his personal adviser?

Mr. ROCKEFELLER, Jr. Very seldom.

Chairman WALSH. Once a year?

Mr. ROCKEFELLER, Jr. I don't think necessarily that.

Chairman WALSH. Once in two years?

Mr. ROCKEFELLER, Jr. I couldn't state.

Chairman WALSH. The truth of the matter is this term of "personal adviser" does not mean that any of these men would see your father?

Mr. ROCKEFELLER, Jr. Does not follow at all.

Chairman WALSH. Your father tells you what his wishes are, and you discuss them, and then you tell your father's personal advisers what his preferences are?

Mr. ROCKEFELLER, Jr. My father does not tell me what his wishes are with reference to all matters; but he leaves with me and my associates, who are the advisers in the office, to determine many of these questions—most of them as they arise. If he feels disposed to advise with us, all of his people are glad to have him do so. If we want to take the responsibility of deciding various questions, or any questions, we do so.

Chairman WALSH. Do they write letters to him, these personal advisers of his?

Mr. ROCKEFELLER, Jr. Very rarely.

Chairman WALSH. And they do not see him?

Mr. ROCKEFELLER, Jr. He sees them whenever he cares to see anyone of them, but it is very seldom necessary.

Chairman WALSH. Is it true that Mr. Gates saw him only twice in 16 years?

Mr. ROCKEFELLER, Jr. If Mr. Gates says so, it is true.

Chairman WALSH. Did Mr. Greene see him—how long has Mr. Greene been his personal adviser?

Mr. ROCKEFELLER, Jr. I think Mr. Greene was in our office either a year and a half or two years and a half.

Chairman WALSH. How long was he your father's personal adviser?

Mr. ROCKEFELLER, Jr. During that two years and a half.

Chairman WALSH. How often did he see your father in that two and a half years?

Mr. ROCKEFELLER, Jr. I have stated I could not say.

Chairman WALSH. Mr. Ivy Lee is on the personal staff of your father now?

Mr. ROCKEFELLER, Jr. He is.

Chairman WALSH. How often does he see him?

Mr. ROCKEFELLER, Jr. That I can not say.

Chairman WALSH. Does he ever see him?

Mr. ROCKEFELLER, Jr. I think he has seen him three or four times.

Chairman WALSH. Now, Mr. Bowers, before this strike, September the 19th, wrote you a long letter setting forth what the grievances or claims of your employees were, didn't he?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. That there were charges made by the men that the company had violated the law with reference to checkweighmen, with reference to the hours of labor, with reference to discriminating against them because they were union men, did they not?

Mr. ROCKEFELLER, Jr. You mean that was contained in that letter?

Chairman WALSH. Yes, sir.

Mr. ROCKEFELLER, Jr. If I recall, it was.

Chairman WALSH. Yes. Now, then, with this authority that you had over directors and over executive officers, with that in view, I want to read you the



extracts of the letters that passed between you—that is, between Mr. Bowers and yourself, Mr. Bowers and Mr. Murphy, and yourself and Mr. Bowers and Mr. Murphy, and Mr. Murphy and Mr. Bowers. I will just read you the extracts which I believe bear upon the point.

On October 6, 1913, letter from Mr. Rockefeller to Mr. Bowers:

"We feel that what you have done is right and fair, and that the position which you have taken in regard to the unionizing of our mines is in the interests of the employees of the company. Whatever the outcome may be we will stand by you to the end."

That is signed "John D. Rockefeller, jr." You wrote that letter, didn't you?

Mr. ROCKEFELLER, Jr. I must have, if it is in the collection I sent you.

Chairman WALSH. Yes. Now, on October 10, 1913, did you not write a letter to Mr. Bowers containing this language:

"I realize that these are trying days for the management of the fuel company. Its actions are watched with great interest by this office, and its strong and just position will not lack backing at this end."

And you signed that "John D. Rockefeller, jr.," and sent it to Mr. Bowers, didn't you?

Mr. ROCKEFELLER, Jr. If you have taken it from that collection; yes.

Chairman WALSH. Yes.

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. On November 21, 1913, you telegraphed to Mr. Bowers, did you not—on November 21, 1913, you wrote Mr. Bowers a letter in which you quoted a telegram which you had sent to the Secretary of Labor which contained the following statement:

"Action of our officers in refusing to meet the strike leaders is quite as much in the interest of our employees as of any other element in the company. Their position meets with our cordial approval, and we shall support them to the end."

That is correct?

Mr. ROCKEFELLER, Jr. Same answer to that.

Chairman WALSH. That was written November 21, wasn't it?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. And it was written before any serious troubles, such as the Ludlow massacre, occurred, wasn't it?

Mr. ROCKEFELLER, Jr. The Ludlow occurrence occurred the following spring.

Chairman WALSH. The following spring. Now, I will ask you if on October 31, 1913—no, that is the letter I quoted you with regard to the appointment of Mr. Murphy. So I will not read it again.

On November 26 Mr. Bowers wrote you a letter—November 28, 1913—in which he stated:

"I can scarcely express our appreciation of the support you are giving us."

That is correct, isn't it?

Mr. ROCKEFELLER, Jr. My answer to that would be that if it is taken from the collection of letters—

Chairman WALSH (interrupting). Well, don't you know as a matter of fact that it is? I would like to get you to testify to the fact?

Mr. ROCKEFELLER, Jr. Mr. Chairman, if I had the letters before me—

Chairman WALSH (addressing Mr. Manly). Give me the letters. Maybe I had better do it from the letters for fear there may be some misquotation.

Mr. ROCKEFELLER, Jr. These sound perfectly familiar. Quite probably I wrote the letter, but I can not tell.

Chairman WALSH. On December 9, 1913, Mr. Starr J. Murphy wrote to Mr. Bowers, did he not:

"In fact, as we have said many times before, we leave this matter entirely in your hands, having the utmost confidence in your judgment and the way you are handling the matter."

That is correct, isn't it?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. Now, at that time hadn't you heard about the arming of these 326 men by Jeff Farr?

Mr. ROCKEFELLER, Jr. I think not.

Chairman WALSH. You think not?

Mr. ROCKEFELLER, Jr. I don't recall.

Chairman WALSH. Wasn't it published broadcast that that was done, and that it was liable to cause bloodshed?

Mr. ROCKEFELLER, Jr. It may be true it was published broadcast. I don't recall seeing it.

Chairman WALSH. Don't you recall seeing it at the time it was published?

Mr. ROCKEFELLER, Jr. I do not recall.

Chairman WALSH. You don't recall seeing it?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. I will ask you this question: While that strike was going on and these tragedies were taking place, regardless of who was at fault, did you not keep informed as to the occurrence?

Mr. ROCKEFELLER, Jr. Yes; I was getting information from the office of the company—

Chairman WALSH. All the time?

Mr. ROCKEFELLER, Jr. (interrupting). Yes; as frequently as they thought it necessary.

Chairman WALSH. Now, on October 10:

"I realize that these are trying days for the management of the fuel company. Its actions are watched with great interest by this office, and its strong and just position will not lack backing at this end."

That was written, wasn't it?

Mr. ROCKEFELLER, Jr. I think so.

Chairman WALSH. Now, I will ask you if on July 27, 1914, after the horror at Ludlow had taken place, after all these deaths had taken place, after soldiers had been killed and guards had been killed and women had been killed and children had been killed, if you did not receive this written testimonial from Mr. Welborn, July 27, 1914:

"I appreciate very much your expressions concerning my personal welfare. My health has never been better than during the past year, and I am hardly conscious of any strain. The knowledge that we have your confidence and support makes everything else easy."

Now, that was after all these horrors had transpired, wasn't it?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. And you got that letter from Mr. Welborn that he did not even feel any strain about it; that the knowledge that he had your support made everything easy?

Mr. ROCKEFELLER, Jr. Yes; that was one of the letters.

Chairman WALSH. And that was the truth, wasn't it?

Mr. ROCKEFELLER, Jr. Well, Mr. Welborn said—

Chairman WALSH (interrupting). He did have your support and backing in everything they did, didn't he, Mr. Rockefeller, as expressed in this quoted part—as expressed in these letters written by Mr. Welborn to you?

Mr. ROCKEFELLER, Jr. He had the support and backing to the extent I stated in my paper. We never had the operators, but had left the details to the company.

Chairman WALSH. Now, I want you to take the letter from Mr. Bowers, Mr. Rockefeller, getting down to these details, and what he wrote you on April 18, you got a letter from Mr. Bowers, didn't you?

Mr. ROCKEFELLER, Jr. That I don't recall.

Chairman WALSH. Well, I am going to read some of it to you directly; but it was on April 23 that the so-called Ludlow massacre occurred, wasn't it?

Mr. ROCKEFELLER, Jr. I think about that time.

Chairman WALSH. Now, you have made some statements in your direct statement, and I might say that I have not had time to digest them. Perhaps we will give you an opportunity later when we get a little more definitely at the facts to make some further replies; but it will not be in the way of a public hearing. But take your statement in there—for instance, you made one public statement in which you said, as I recollect it, that the persons that lost their lives at Ludlow were not shot; they were smothered?

Mr. ROCKEFELLER, Jr. The persons that lost their lives underneath the floor of the tent.

Chairman WALSH. Well, you made no mention in that statement, or reference to those that lost their lives by bullets and the like?

Mr. ROCKEFELLER, Jr. I don't recall whether I did or not.

Chairman WALSH. Don't you recall what you wrote?

Mr. ROCKEFELLER, Jr. I do not.

Chairman WALSH. Why, you just wrote that about two weeks ago and sent it out publicly, saying that those who lost their lives at Ludlow—

Mr. ROCKEFELLER, Jr. (interrupting). In the pit?



Chairman WALSH. In the pit, you say now, were smothered. You remember saying that?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. Did you make reference to those who lost their lives by bullets?

Mr. ROCKEFELLER, Jr. I don't recall that I did.

Chairman WALSH. Did you intend not to make that public in connection with your statement to the public in regard to the loss of life there?

Mr. ROCKEFELLER, Jr. I did not, no. The emphasis had always been put upon the women and children killed in the ground, and the point was to state that the report to us by people who should know that they were smothered and not struck.

Chairman WALSH. Did the reports that you got show that they were burned? That the arm of one of the women fell off—that the flesh fell off the bodies in taking them out?

Mr. ROCKEFELLER, Jr. I don't recall that. It might have been true.

Chairman WALSH. Did you read the coroner's inquest?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. You did not read the account of the testimony any place?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. And you have not yet?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. Well, don't you think that you ought to read that to determine—you say hereafter you are going to try to have things better. Shouldn't you read that to determine what the facts are and what part your executive officers took in bringing on the train of incidents, we will say, that culminated in Ludlow? Don't you think you ought to know that, Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. Well, I think so long as I am undertaking to do the things that I think should be done I shall have to reserve the right to do them in the ways that seem to me best.

Chairman WALSH. Now, in 1913, you know now, don't you, that many crimes were committed by the officials of your company? You saw a letter Mr. Bowers wrote that when he got up to — he found at the — Mills that everything said against him was true; and then you recalled the strike of 1903 where they took hundreds of men out of their homes and threw them out on the prairies there? You know all that, don't you?

Mr. ROCKEFELLER, Jr. I know the letter that Mr. Bowers—

Chairman WALSH (interrupting). You believe it, don't you?

Mr. ROCKEFELLER, Jr. I believe what Mr. Bowers says.

Chairman WALSH. And you know the details of the strike of 1903, how the rights of the citizens were outraged? You know that now, don't you?

Mr. ROCKEFELLER, Jr. No; I don't recall the details.

Chairman WALSH. Well, don't you think that the executive officers—that the executive committee of the company, not the executive officers but the directors, ought to know what the executive officers do, so they may determine when they come to that whether to keep them in or not?

Mr. ROCKEFELLER, Jr. That was a matter of 12 years ago, Mr. Chairman. What knowledge I may have had at that time I would not retain at this time.

Chairman WALSH. You would not have retained it at this time, but do you not think now you ought to have knowledge of what took place a few months ago, so that you could determine whether or not you would put these men back in these places again, where they could do such things over again?

Mr. ROCKEFELLER, Jr. I have such knowledge as the executive officers of the company appointed by the board could give me in support of the statements in the letters.

Chairman WALSH. You took what the executive officers said, and closed your ears to every development brought out in court, and you closed your eyes to the transcript of the evidence before the coroner's jury, and you closed your eyes to the evidence given before the military court, and just simply sat in your office in New York and took the word of the executive officers for it?

Mr. ROCKEFELLER, Jr. I have not closed my eyes to anything.

Chairman WALSH. Did you read the coroner's inquest, the testimony of the coroner's inquest over the 10 bodies taken out of the pit at Ludlow?

Mr. ROCKEFELLER, Jr. No; but that does not mean that I closed my eyes.

Chairman WALSH. Did you hear the information brought out by the regular processes of the court; that is, the coroner's jury, showing how they were killed?

Mr. ROCKEFELLER, Jr. I did not.

Chairman WALSH. Did you ever hear it from any authoritative source?

Mr. ROCKEFELLER, Jr. I have heard different statements from time to time presuming to come from authoritative sources.

Chairman WALSH. Did you read the report of the military commission that sat on the hearing of the matter at Ludlow presided over by Maj. Boughton, who was in New York to see you in regard to sending this rough draft to Mr. Lee, who was to send it to Maj. Boughton, who was to give it to Gen. Chase, who was to have it incorporated in a letter to Gov. Ammons?

Mr. ROCKEFELLER, Jr. Whether or not I got the report of the military commission?

Chairman WALSH. Of the military commission presided over by Maj. Boughton, who has been so extensively advertised?

Mr. ROCKEFELLER, Jr. I do not recall whether I saw it or not.

Chairman WALSH. As to the definite knowledge as to what was being done, I want to call your attention to this: On April 18, five days before the Ludlow horror, you got a letter from Mr. Bowers personally addressed to John D. Rockefeller, jr., in which he stated, "Another favorable feature of the strike situation"—I am putting in "strike situation"—"another favorable feature is the organization of a military company of 100 volunteers of Trinidad the present week; they are to be armed by the State and drilled by the military officers. Another squad is being organized at Walsenburg. These independent militiamen will be subject to orders of the sheriff of the county."

That is Jeff Farr referred to in the letter of Mr. Bowers as the sheriff of the county?

Mr. ROCKEFELLER, Jr. I don't know whether that is Jeff Farr or not.

Chairman WALSH. You do not know whether that is Jeff Farr?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. Have you never inquired to know who the sheriff was that had charge of your men?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. The letter continues, "These volunteers will draw no pay from the State." Do you remember getting that?

Mr. ROCKEFELLER, Jr. Getting that letter?

Chairman WALSH. Yes.

Mr. ROCKEFELLER, Jr. I think so.

Chairman WALSH. From Mr. Bowers?

Mr. ROCKEFELLER, Jr. I think so.

Chairman WALSH. That is what is now known as "Troop A" of the Colorado Militia?

Mr. ROCKEFELLER, Jr. I do not know that.

Chairman WALSH. It is the only volunteer company that was organized. Didn't you get from this letter the knowledge that that was a volunteer company that you were to pay—that your company, the Colorado Fuel & Iron Co., was to pay?

Mr. ROCKEFELLER, Jr. Well, I got whatever the letter states, Mr. Chairman. I can not recall what information I got from it. If that is what the letter states, I must have understood it so.

Chairman WALSH. I am going to ask you if it is not a fact that, in addition to the women and children that were smothered, that on that day Louis Tikas was knocked down with a rifle, in the hands of one of these military officers and was shot four times in the back while he was lying on the ground and picked up dead, if James Fyler was not also shot and killed on the same day, and if you did not know it when you made that statement referring to the women and children in the pit at Ludlow?

Mr. ROCKEFELLER, Jr. I knew there had been other casualties on that day.

Chairman WALSH. Didn't you inquire who they were or what sort of men they were, whether they were good men or bad men or anything of that sort?

Mr. ROCKEFELLER, Jr. I think at the time I knew, Mr. Chairman; but I do not remember now.

Chairman WALSH. You have forgotten now the personnel of the men that were killed?

Mr. ROCKEFELLER, Jr. The names have not remained in my mind.

Chairman WALSH. Was one a little boy?

Mr. ROCKEFELLER, Jr. I think I recall a little boy who ran out from a house and was shot.



Chairman WALSH. Regarding your publication that those people were smothered, I received the following postal card, which I will hand you, and then let it be put into the record:

"TRINIDAD, COLO., May 3, 1915.

"Mr. WALSH, Washington, D. C.

"DEAR SIR: We wish to inform you that here is one of the little victims that did not smother at Ludlow, but was shot through the head while caressing his little sister:

"His parents, Mr. and Mrs. WM. SNYDER."

On the other side of the postal card is a picture of the boy with the words over it: "Frank Snyder, shot at Ludlow, Colo., April 20, 1914."

Do you care to look at it?

Mr. ROCKEFELLER, Jr. You have described it; and I see what the picture is.

Chairman WALSH. Now, after this volunteer troop that Mr. Bowers wrote you was sworn in, you learned, did you not, that they were all your own employees, and that the reason the State was not paying them was that you were paying them yourself or your company—when I say "yourself," I mean the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. If that was stated in the letter, then I have the knowledge.

Chairman WALSH. You claim you have no knowledge of any of the details except those stated in the letters, which you were asked to produce and which you have produced in the examination. Don't you have any independent knowledge besides that contained in the letters produced?

Mr. ROCKEFELLER, Jr. I saw and read different reports from time to time.

Chairman WALSH. To epitomize what this troop of your company did, I will read you from the report of the military commission presided over by Maj. Boughton; do you know Maj. Boughton?

Mr. ROCKEFELLER, Jr. I never have met him.

Chairman WALSH. Mr. Lee met him.

Mr. ROCKEFELLER, Jr. Yes; as I have stated.

Chairman WALSH. And the other officers of your company?

Mr. ROCKEFELLER, Jr. I do not know about that.

Chairman WALSH. He came to New York for the published purpose of telling what he claimed to be the truth about the Ludlow atrocity, did he not?

Mr. ROCKEFELLER, Jr. That may be true.

Chairman WALSH. Wasn't it in all the papers in New York?

Mr. ROCKEFELLER, Jr. I understood that he came to undertake—yes; to give the facts.

Chairman WALSH. And he went to 26 Broadway?

Mr. ROCKEFELLER, Jr. I do not know whether he was there or not, Mr. Chairman.

Chairman WALSH. He saw Mr. Lee?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. He saw Mr. Murphy?

Mr. ROCKEFELLER, Jr. I don't know whether he ever saw Mr. Murphy or not.

Chairman WALSH. He saw Mr. Jerome Greene?

Mr. ROCKEFELLER, Jr. Yes; he saw Mr. Greene.

Chairman WALSH. Do you mean to say now, Mr. Rockefeller, that you do not know that you have ever been advised that Maj. Boughton went to your office at 26 Broadway to see you?

Mr. ROCKEFELLER, Jr. To see me?

Chairman WALSH. Yes; first to see you, then I will ask you another question.

Mr. ROCKEFELLER, Jr. No; he never came to see me; at least I never saw him.

Chairman WALSH. Do you say now that you were not advised that Maj. Boughton was at 26 Broadway after the Ludlow massacre?

Mr. ROCKEFELLER, Jr. I never was advised that he was there at all; I know he saw Mr. Lee and Mr. Greene, but where, I do not know.

Chairman WALSH. You know he saw them, but you do not know whether he went to 26 Broadway or not?

Mr. ROCKEFELLER, Jr. No; whether he saw them at the luncheon club or not, I don't know.

Chairman WALSH. What luncheon club?

Mr. ROCKEFELLER, Jr. Some go to the White Hall Club; I don't know of any other.

Chairman WALSH. Can you suggest any other place he might have met Maj. Boughton, other than the White Hall Club?

Mr. ROCKEFELLER, Jr. No; I would not be likely to know.

Chairman WALSH. I take it, Mr. Rockefeller, that no facts, or alleged facts, presented from any other source, would cause you to change your mind as to what took place in Colorado, and the responsibility, if any, of your executive officers therefor?

Mr. ROCKEFELLER, Jr. I have not said that, Mr. Chairman. I have not said that no facts presented from any other source would not cause me to change my mind. No facts have come to my attention.

Chairman WALSH. I will ask you if, immediately after the Ludlow massacre, on the next day, you did not receive this telegram from Mr. Bowers:

"Following withdrawal of troops by order of governor, an unprovoked attack upon small force of militia, yesterday by 200 strikers. Forced fight, resulting in probable loss of 10 or 15 strikers. Only one militiaman killed. Ludlow tent colony of strikers totally destroyed by burning, 200 tents, generally followed by explosions, showing ammunition and dynamite stored in them. Expect further fighting to-day. Militia to be reinforced. Suggest your giving this information to friendly papers. L. M. Bowers."

What friendly papers?

Mr. ROCKEFELLER, Jr. If I had undertaken to carry out his suggestion, I would not have known where to turn.

Chairman WALSH. Mr. Bowers just imagined you had friendly papers to give this to?

Mr. ROCKEFELLER, Jr. I suppose he thought there were some; I don't know any more than you do; but I would not know where to turn in New York to find a friendly paper.

Chairman WALSH. Please indicate what friendly papers he meant.

Mr. ROCKEFELLER, Jr. I do not know a friendly paper.

Chairman WALSH. Did you give it out to the papers?

Mr. ROCKEFELLER, Jr. I do not know.

Chairman WALSH. Did you give it to your publicity agent to give out to the papers?

Mr. ROCKEFELLER, Jr. I do not recall.

Chairman WALSH. You do not recall whether you followed that suggestion or not?

Mr. ROCKEFELLER, Jr. I do not.

Chairman WALSH. After this Troup A was organized, this Ludlow horror followed within a very few days.

Mr. ROCKEFELLER, Jr. So you have stated, Mr. Chairman.

Chairman WALSH. Don't you know whether it did or not?

Mr. ROCKEFELLER, Jr. I do not carry the dates in mind; if that is what you read, it is correct.

Chairman WALSH. I will read you from the report of the military commission:

"Troop A, a troop of National Guards, were enlisted about the middle of April among the superintendents and foremen, the clerical force, physicians, storekeepers, mine guards, and other residents of the coal camps. This unit of the National Guard was designated Troop A, but so recently was it recruited that at the time of the battle of Ludlow it had not yet selected its officers nor was it supplied with uniforms, arms, or ammunition."

That is true, is it not; you have learned since that Troop A was made up of superintendents, foremen, the clerical force, physicians, storekeepers, and mine guards?

Mr. ROCKEFELLER, Jr. Does that say of the Colorado Fuel & Iron Co.?

Chairman WALSH. It says it was a troop of men enlisted among the superintendents and foremen, the clerical force, physicians, storekeepers, mine guards, and other residents of the coal camps.

Mr. ROCKEFELLER, Jr. That would refer to any and all of them.

Chairman WALSH. Do you claim they were not your mine guards?

Mr. ROCKEFELLER, Jr. I do not claim one way or the other.

Chairman WALSH. I will say, that the other testimony showed, since you asked me the question, and for that reason only, that they were your mine guards, storekeepers, and others.

Mr. ROCKEFELLER, Jr. Exclusively?

Chairman WALSH. No; not exclusively; some of the Victor's were in there, also.



Now, these men, as such storekeepers, physicians, mine guards, etc., were actually paid with the money of the Colorado Fuel & Iron Co. for whatever they did that day?

Mr. ROCKEFELLER, Jr. I do not suppose they were put off of the pay rolls of the company because they went into the military service.

Chairman WALSH. What is that?

Mr. ROCKEFELLER, Jr. I do not suppose they were dropped from the pay rolls of their respective companies because they became members of the militia.

Chairman WALSH. Do you have militia raised in other States that way?

Mr. ROCKEFELLER, Jr. There is another question, Mr. Chairman, which I do not think is fair.

Chairman WALSH. You say it is not customary?

Mr. ROCKEFELLER, Jr. Is it customary in any State that you know of? I did not mean to ask a question.

Chairman WALSH. No.

Mr. ROCKEFELLER, Jr. I never heard of a case of a man serving in the militia and while doing so his pay being stopped by his employer.

Chairman WALSH. Has there a custom grown in this country, to your knowledge, that mine companies or other corporations have their employees enlisted as members of the State militia and pay them their salaries while they are acting in industrial disturbances?

Mr. ROCKEFELLER, Jr. I have never heard of any such custom.

Chairman WALSH. I will ask you the direct question: Were these men, mine guards, physicians, storekeepers, and others, that went into Troop A, paid by you for what they did that day? Were they kept on the pay roll?

Mr. ROCKEFELLER, Jr. I do not know.

Chairman WALSH. You don't know?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. Do you know that afterwards that Troop A, not only fired on this camp where there were women and children, but they looted the dead, stole their property, and set fire with torches and oil to the dwellings of the people, the tents in which they were dwelling?

Mr. ROCKEFELLER, Jr. That is one of the reports that have been circulated.

Chairman WALSH. Do you have any doubt it is true?

Mr. ROCKEFELLER, Jr. I have no way of corroborating it.

Chairman WALSH. You have no way of corroborating it?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. Now, I will read you from the report of the commission presided over by Maj. Boughton, and upon which Capt. Danks and Capt. van Cise were members, which reads as follows:

"During the rescuing and afterwards the tent colony was invaded by the soldiers and mine guards for quite a different purpose. By this time the uniformed guardsmen had been joined by large numbers of men in civilian attire, part of whom were from Troop A and part of them mine guards, all unknown to the uniformed soldiers and their officers, and all unused and unamenable to discipline.

"By this time, the time of the burning of the tents, the nondescript number of men had passed out of their officers' control, had ceased to be an army and had become a mob. Doubtless all were seeing red on both sides of the conflict.

"This may account for the insane shooting by the strikers during the rescue of their women and children, and it may also account for what happened in the tents.

"We find that the tents were not all of them destroyed by accidental fire. Men and soldiers swarmed into the colony, and deliberately assisted the conflagration of spreading the fire from tent to tent.

"Beyond a doubt it was seen to intentionally that the fire should destroy the whole of the colony. This, too, was accompanied by the usual loot.

"Men and soldiers seized and took from the tents whatever appealed to their fancy of the moment. In this way clothes, bedding, articles of jewelry, bicycles, tools, and utensils were taken from the tents and conveyed away.

"So deliberately was this burning and looting that we find that cans of oil found in the tents were poured upon them and the tents lit with matches."

That is the report of the military commission, signed by Maj. Boughton. Do you believe it now?

Mr. ROCKEFELLER, Jr. Of course I believe the statement made by those gentlemen they believed to be facts.

Chairman WALSH. What do you think, then, of Mr. Bowers's reference about recruiting Troop A as a favorable occurrence for the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. I should regard any instance where a private company had to supplement the authorities of the county to protect life and property as most deplorable.

Chairman WALSH. Would the fact that the troops were to be paid directly by the operators constitute the favorable feature in Mr. Bowers's mind of the strike situation?

Mr. ROCKEFELLER, Jr. I should not think so.

Chairman WALSH. Is it not fair for you to assume that Mr. Bowers, Mr. Welborn, and Mr. Weitzel were sufficiently well acquainted with the character of the mine guards to understand that such occurrences as the battle of Ludlow were likely to happen if they were given the authority of the State to support them in dealing with these striking men and their wives and children?

Mr. ROCKEFELLER, Jr. And if that were true it was a question of protecting life and property. Mr. Bowers, Mr. Welborn, and others in charge of the properties had to use such men to supplement the deficiency of the State. And we had to accept their judgment of the facts as to what was necessary, and their judgment I would not question; I could not pass upon it.

Chairman WALSH. If you had known that that company, composed in large part of mine guards, was going to be put into the field, what action would you have taken as a director of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. I would have taken no action; I would have deplored the necessity which compelled the officers of the company to resort to such measures to supplement the State force to maintain law and order.

Chairman WALSH. As Troop A was paid for from the funds of the Colorado Fuel & Iron Co., of which you are principal stockholder, did you not feel morally responsible for their actions during the massacre at Ludlow?

Mr. ROCKEFELLER, Jr. I should have felt greater responsibility for the officers of the company if they had not used all means in their power to protect life and property.

Chairman WALSH. Have you made an effort to recover back the property belonging to these people from the employees who constituted Troop A?

Mr. ROCKEFELLER, Jr. What efforts the officers of the company may have made I do not know.

Chairman WALSH. Have you made any effort of your own, as a director of the Colorado Fuel & Iron Co., to bring to justice those men in your own employ who are in Troop A who may have poured oil on the tents of those people and lit them with matches?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. Did you hear the testimony of Judge Edgar M. Cullen?

Mr. ROCKEFELLER, Jr. No—

Chairman WALSH. Late chief justice of the court of appeals of New York City?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. Well, he testified here that the alleged trial of Linderfelt before a military commission—Linderfelt being the man who admitted that he struck Tikas and knocked him down, and following that blow the shots were put into his body—I do not say that Linderfelt admitted he put the shots into his body, but he knocked him down, and while he was an unarmed prisoner, he was either shot or clubbed to death. Judge Cullen says, "It is mere subterfuge to say he was tried and acquitted by a military court; he should be arrested and tried by the civil officials."

As your company was interested in the upholding of the law, has it taken any actions, by the employment of attorneys, or otherwise, to have Linderfelt brought to justice in the criminal courts of Colorado?

Mr. ROCKEFELLER, Jr. As I understand it, Linderfelt was a member of the State militia, under orders of the adjutant general of the State, and I should regard it as interfering with the military authorities of the State, and that the civil authorities and the authorities that are upholding justice, if I were to take any such step as you suggest.

Chairman WALSH. Did you keep track of the trial of Zankennell, who was sentenced to imprisonment for life?

Mr. ROCKEFELLER, Jr. I don't know.

Chairman WALSH. Did you keep track of the trial of what are known as the La Veta strikers?



Mr. ROCKEFELLER, Jr. I did not.

Chairman WALSH. Do you know that Mr. Northcutt, your lawyer, represented the State of Colorado in the prosecution of men charged with the La Veta riot?

Mr. ROCKEFELLER, Jr. I have stated what I have been informed, in reference to those matters, and I have nothing to add to what I have said.

Chairman WALSH. Was Mr. Northcutt prosecuting those men, if you know?

Mr. ROCKEFELLER, Jr. I don't know.

Chairman WALSH. Do you know whether Mr. Northcutt was present at the prosecution of this Italian?

Mr. ROCKEFELLER, Jr. I do not.

Chairman WALSH. Do you consider that your employees—these mine guards—were justified in burning the tents of the strikers during the battle of Ludlow?

Mr. ROCKEFELLER, Jr. I don't consider that any acts of violence or depredations are justified.

Chairman WALSH. Do you consider that they as your agents and employees were justified in looting the property of the strikers after the battle of Ludlow?

Mr. ROCKEFELLER, Jr. Certainly not.

Chairman WALSH. What efforts have you taken to ascertain the conduct of your employees on that day?

Mr. ROCKEFELLER, Jr. Those are matters, according to the custom, that the officers of the company have charge of. I have not undertaken to interfere with them in the discharge of their duty.

Chairman WALSH. If it was deplorable that life and property had been destroyed by private forces, why do you think Mr. Bowers's description of getting up the Troop A is a favorable thing in the strike situation?

Mr. ROCKEFELLER, Jr. Favorable to the protection of the lives and properties of the employees of the company.

Chairman WALSH. The employees of the company?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. You saw what followed, that they burned the property of the company, and stole their property?

Mr. ROCKEFELLER, Jr. Yes, sir; but what would have followed if that troop was not organized, I don't know, neither does anybody.

Chairman WALSH. Do you know it to be a fact that there was not a single life lost among the striking people and militia until your executive officers whipped the governor into line, and had the militia protect the importation of strikebreakers into the camp?

Mr. ROCKEFELLER, Jr. I do not.

Chairman WALSH. Do you say that it is not a fact?

Mr. ROCKEFELLER, Jr. I don't express an opinion about it.

Chairman WALSH. If it is a fact, would you say that something more horrible than the killing of these women and children of Ludlow would have happened if your mine guards had not gone into Troop A?

Mr. ROCKEFELLER, Jr. I am not in a position to say that much more horrible things would not have happened.

Chairman WALSH. Is Mr. Lee still issuing bulletins?

Mr. ROCKEFELLER, Jr. He never issued them.

Chairman WALSH. Is he still sending them out?

Mr. ROCKEFELLER, Jr. Are the Colorado operators still sending out bulletins?

Chairman WALSH. Is Mr. Lee sending them out for anybody?

Mr. ROCKEFELLER, Jr. Not that I know of.

Chairman WALSH. Is he attending to your publicity; does he give out your statements?

Mr. ROCKEFELLER, Jr. He is one of my associates, related with me in preparing such statements.

Chairman WALSH. He is the one that hands them to the newspapers and other people?

Mr. ROCKEFELLER, Jr. That I can not tell; I do not know what methods he may employ.

Chairman WALSH. Does he give them out? Did he write the statement that you read here yesterday?

Mr. ROCKEFELLER, Jr. That is a matter I don't think pertinent into the inquiry into industrial relations that this commission was appointed to inquire into. I read it, and I am responsible for it.

Chairman WALSH. Did he write it for you?

Mr. ROCKEFELLER, Jr. I don't consider that it is an appropriate question to ask.

Chairman WALSH. I will ask you the direct question, and I want you to understand the theory of the question is fixing the responsibility for the industrial situation in Colorado now and in the past, and what it may be in the future, if it is a fact that Mr. Lee wrote that alleged statement of facts, and that you merely read it to the commission upon yesterday?

Mr. ROCKEFELLER, Jr. It is not.

Chairman WALSH. Did you write it yourself?

Mr. ROCKEFELLER, Jr. I did.

Chairman WALSH. To whom did you dictate it?

Mr. ROCKEFELLER, Jr. To various stenographers in the office.

Chairman WALSH. How many stenographers?

Mr. ROCKEFELLER, Jr. I don't know.

Chairman WALSH. Who attended to having it printed?

Mr. ROCKEFELLER, Jr. I don't know whether one of the secretaries did, or who. I don't pay attention to those things.

Chairman WALSH. Who gives the articles to the newspapers with reference to the Colorado Fuel & Iron Co. generally?

Mr. ROCKEFELLER, Jr. I don't know that any are being given out.

Chairman WALSH. Does Mr. Lee give out any publicity?

Mr. ROCKEFELLER, Jr. For whom?

Chairman WALSH. For anyone.

Mr. ROCKEFELLER, Jr. Yes, sir; he gives out such publicity as he and my other associates think is desirable to give out.

Chairman WALSH. Who does he give it to?

Mr. ROCKEFELLER, Jr. It depends on circumstances, Mr. Chairman.

Chairman WALSH. Now, I notice in one of the letters of Mr. Bowers he refers—I have not that particular letter. Does Mr. Lee write the material that is given out?

Mr. ROCKEFELLER, Jr. Mr. Chairman, I can not state generally. Mr. Lee writes some material that is given out. It is sent out with the authority of the office.

Chairman WALSH. What Mr. Lee writes, and your associates agree to, is sent out with the authority of the office?

Mr. ROCKEFELLER, Jr. Yes, sir; usually over my signature.

Chairman WALSH. I just want to ask you one question. I notice Mr. Bowers recommends Leslie's Weekly very highly as a means of acquiring great benefit, getting information on industrial topics. You saw that letter, did you?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. I just noticed, I had handed to me a Leslie's Weekly with that advertisement of the Standard Oil Co. on the back.

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. Is there any connection between those things?

Mr. ROCKEFELLER, Jr. Between what?

Chairman WALSH. Between Mr. Bowers's thought that this was a splendid publication, and that it is a good thing to send out industrial matters to, and the Standard Oil Co.'s advertisement on the back?

Mr. ROCKEFELLER, Jr. I resent the implication. There is absolutely no connection.

Chairman WALSH. What is paid for that advertisement to Leslie's?

Mr. ROCKEFELLER, Jr. I have no idea.

Chairman WALSH. Who is representing the Standard Oil Co.?

Mr. ROCKEFELLER, Jr. There are many Standard Oil companies; you will have to tell me which one you mean.

Chairman WALSH. This seems to be the Standard Oil Co. of New York; principal stations New York, Albany, and Boston.

Mr. ROCKEFELLER, Jr. I don't know, I have no connection with any of the Standard Oil companies.

Chairman WALSH. You don't know what that cost?

Mr. ROCKEFELLER, Jr. I have not the slightest idea.

Chairman WALSH. Now, you had some correspondence with Mr. Lee before you entered into this arrangement that you have spoken of, about his attending to your publicity, did you not?



Mr. ROCKEFELLER, Jr. Do you mean when Mr. Lee first undertook the publicity for us and the operators in Colorado?

Chairman WALSH. Yes, sir.

Mr. ROCKEFELLER, Jr. I think there may have been some letters with reference to our arrangement.

Chairman WALSH. And those were letters that you were called upon to produce before this commission, were they not, and which you have sent to us?

Mr. ROCKEFELLER, Jr. If you have them there; yes, Mr. Chairman; I did not attend to that myself.

Chairman WALSH. Had the Rockefeller interests any publicity man before they got Mr. Lee?

Mr. ROCKEFELLER, Jr. I will have to ask what you mean by "Rockefeller interests" before I can answer the question.

Chairman WALSH. The same Rockefeller interests that are referred to by Mr. Bowers in his letter; I notice he refers to them—

Mr. ROCKEFELLER, Jr. Previous to when?

Chairman WALSH. Previous to Mr. Lee's employment?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. You understand what the Rockefeller interests are?

Mr. ROCKEFELLER, Jr. That is, my father's interests. He is the owner of the interests in these various properties, which the rest of us, as his representatives, conduct for him, or direct for him.

Chairman WALSH. Now, the first employment of Lee as publicity man—you advanced him \$2,000, as shown in one of these letters?

Mr. ROCKEFELLER, Jr. Yes, sir; there were some expenses that had to be incurred before my letter to Mr. Welborn in regard to the arrangements and his part in it could be received and acted upon, and I advanced money until the bills could be sent to Denver for payment.

Chairman WALSH. That was about \$2,000?

Mr. ROCKEFELLER, Jr. I think that was the sum.

Chairman WALSH. Now, on July 17—Mr. Lee was regularly employed on that date?

Mr. ROCKEFELLER, Jr. I think it was early in June or the last of May, probably. I think his employment began around the 1st of June.

Chairman WALSH. And he was first employed in an individual capacity by your father?

Mr. ROCKEFELLER, Jr. No, sir; he was employed as my—I think those letters state, or as I stated in my testimony in New York, on behalf of the general situation in Colorado, in which we were largely interested and in which the Colorado Fuel & Iron Co. was so largely interested.

Chairman WALSH. Now, Mr. Lee wrote you a letter in which he set forth his ideas, and said this—on June 11, Mr. Lee wrote you as follows:

"Desiring as I do that you should understand some of the ideals by which I work, I am venturing to inclose you a manuscript copy of an address I delivered before the American Railway Guild some weeks ago." As you employed Mr. Lee permanently after he had submitted this article to you as an expression of his ideals, I want to call your attention to some of the ideals expressed by Mr. Lee. In this article which he sent you, as showing his ideals, under the subhead of "Psychology of the multitude," Mr. Lee cites further certain alleged facts regarding the process of people and declares as follows:

"If railroad men, then, are to assume the place to which they are entitled as leaders of the public, they must consider these same elements in the psychology of the multitude. These elements may be briefly described as follows:

"First. In the first place, crowds do not reason. It is impossible to induce a crowd to proceed toward any proposition on a logical basis."

Mr. ROCKEFELLER, Jr. I presume I read the statement; but I don't recall it.

Chairman WALSH. Is this idea of Mr. Lee's that a crowd does not reason and that it is impossible to induce a crowd to proceed toward any proposition on a logical basis—did that influence you to employ him in your publicity work?

Mr. ROCKEFELLER, Jr. I think I made the arrangements with him before that.

Chairman WALSH. After this you made him a director in the Colorado Fuel & Iron Co., and now use him as your publicity agent?

Mr. ROCKEFELLER, Jr. Yes, sir; I have great confidence in Mr. Lee's ability and honor and integrity.

Chairman WALSH. "Second. Crowds are led by symbols and phrases. Third. Success in dealing with crowds, that success we have got to attain if we are to solve the railroad question, and rests upon the art of getting believed in. We know that Henry the Eighth by his obsequious deference in the forms of law was able to get the English people to believe in him so completely that he was able to do almost anything with them. At the present time the German Empire has, as I see it, the most despotic government, and yet the most progressive and the most contented people in Europe, for the reason that the Emperor of Germany is absolutely believed in by his people. So he may do anything he desires, and they are glad to have him do it."

Now, you knew that was the ideal under which Mr. Lee worked as publicity agent, and you employed him and retained him as the man to give out your publicity, and was it one of the reasons that he held those ideals?

Mr. ROCKEFELLER, Jr. That had nothing to do with the appointment of Mr. Lee at all.

Chairman WALSH. But he sent it to you as containing his ideals?

Mr. ROCKEFELLER, Jr. I don't recall that he made such statements to me.

Chairman WALSH. Let me read the letter to you. I am going to read to you his letter. It is dated June 11, 1914.

Mr. ROCKEFELLER, Jr. I think that was subsequent to my employment of Mr. Lee.

Chairman WALSH. But it was after that that you selected him as a member of the board of directors of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. The more I knew of him the higher I regarded his ideals and character.

Chairman WALSH. After you saw him in action you admired him more and more?

Mr. ROCKEFELLER, Jr. Absolutely. I never saw him do or be willing to do anything that was not honest and upright. That was one thing that drew me to Mr. Lee, his idea and methods of doing these things, absolutely open and aboveboard.

Chairman WALSH. Like Henry the Eighth?

Mr. ROCKEFELLER, Jr. I was not interested in him or anybody else.

Chairman WALSH. You read this when he sent it to you:

"Fourth. The problem of influencing the people en masse is that of providing leaders who can fertilize the imagination and organize the will of crowds. Napoleon's uncanny power in France was due to his resourcefulness in the appeal to these same elementary crowd impulses."

Mr. ROCKEFELLER, Jr. That is an essay on psychology.

Chairman WALSH. He wanted you to know what his ideals were as a publicity man, and to do that he sent you this statement; is that correct?

Mr. ROCKEFELLER, Jr. Whatever he says in the letter is correct.

Chairman WALSH. In the next paragraph Mr. Lee says:

"My point is that in working out the railroad problem we must take account of these same principles of crowd psychology."

Does not your employment of Mr. Lee, after he called your attention to those ideals, mean that he intended and you intended to follow the methods of King Henry the Eighth or Napoleon in dealing with the American people?

Mr. ROCKEFELLER, Jr. I see no ground for any such inference.

Chairman WALSH. I will read further from his article:

"We can never be too careful in the terms we use. Some time ago a certain public-service corporation was in great financial difficulties; it could not pay its bond interest. Its skillful president induced its bondholders to agree to a reduction of the rate of interest on the bonds. Their president then announced to the public that there was to be a 'readjustment' of the finances of the company. Now, 'readjustment of finances' is so much better than saying 'Your company is bankrupt,' and no one ever suggested that his company was bankrupt. It was a matter of terms, and we must be careful of the terms we allow to be lodged in the public mind. What we say to the public, it seems to me, must be with reference to its effect and not especially with reference to its logical sequence."

Do you recall that idea?

Mr. ROCKEFELLER, Jr. I think it was very sound philosophy.

Chairman WALSH. Is it not just, in effect, a plea by Mr. Lee for mendacity to deceive the public, or for a statement of partial facts which, in effect, amounted to mendacity?



Mr. ROCKEFELLER, Jr. Absolutely not. If I had the slightest idea that that paper had any such thought in it at all, that it could be justly construed that way in his mind, I would not have touched Mr. Lee, if it can be so stated, with a 10-foot pole.

Chairman WALSH. I will read you the balance of his article: "We must tell of our work in language."

"The layman can not understand. He will not analyze figures. What he wants to know is, Are you doing the best you can? Convince him of that, and you don't need to argue details. An experience in the anthracite coal strike of 1906 will illustrate this idea; the miners asked for a standard rate of wages to apply at all collieries. It seemed monstrous to the operators. They therefore took the actual pay sheets for certain mines and applied the proposed rates to the actual rates then being paid. They found, and so stated specifically to the public, that in some cases the men's demands called for wages three times as great as were being paid. That announcement was shown to a railroad president, and he said, 'What is the use of putting out anything of that sort; the people want to know about the whole thing, not about a few petty details.' He had hardly uttered that suggestion before the evening papers were on the street with such headlines as 'Miners ask 150 per cent increase in wages.'

"Now, if you will give me the headlines, I will give you the articles and the editorials. Any man reading that heading would immediately jump to the conclusion that the miners were a set of hogs. The effect of that was instantaneous."

Now, was that one of your ideas, to publish a partial truth applying to a few details that would fit the headlines, and make the public believe that the miners were a set of hogs?

Now, I will ask you if, as soon as you got Mr. Ivy Lee in, he did not send out bulletins to the people of this country, stating that the leaders of the striking miners of Colorado, Mr. McLennon among them, got \$66 a day for their work, and Mr. Lawson got \$90 a day, and if that was not a falsehood, and if it was not sent out in conformity with that idea of Mr. Lee to leave the impression upon the country that the workmen were a set of hogs and that the innocent public might be prejudiced against them?

Mr. ROCKEFELLER, Jr. The inference is entirely unjustifiable. Mr. Lee never had any thought, that I have discovered—and I have seen something of him for the past year—of printing or allowing to be printed, anything that was not true.

The statement which was printed was taken from a statement, as I recall it, which had been printed in the papers of Denver for some weeks. It had not been challenged. It appeared day after day, as printed. The bulletins were made up, based to a considerable extent on the facts and reports made by various bodies and information taken from various sources which the operators thought, and which Mr. Lee thought, in suggesting it, were absolutely reliable, and as giving information which was accurate. So soon as it was found that that information was not correct—as soon as I heard of it—I asked Mr. Lee at once to telegraph to Denver, that the correction of the error which had been made must be made just as broadly as the original statement was made, and Mr. Lee so telegraphed.

He also telegraphed it in his own name, as I recall. Those were the instructions which he gave, and which I gave to rectify the error just the moment he knew or I knew that an error had been made. The correction was to be made as broadly as the error had been made.

Chairman WALSH. Didn't Mr. Welborn testify before this commission in Colorado that he did not know that that was a falsehood at the time he testified?

Mr. ROCKEFELLER, Jr. I do not know that he testified so.

Chairman WALSH. Was it not brought out before this commission that this was a falsehood, and was it not emphasized afterwards before correction was sent out?

Mr. ROCKEFELLER, Jr. I do not know, Mr. Chairman.

Chairman WALSH. You said that the correction was ordered to be made immediately. Was it not months before the correction was sent out?

Mr. ROCKEFELLER, Jr. I stated, Mr. Chairman, that immediately upon Mr. Lee's hearing that this was an error he telegraphed to Denver, and I asked him to telegraph to Denver, that the correction should be made at once.

Chairman WALSH. How long was it before the correction was made?

Mr. ROCKEFELLER, Jr. I do not know. I did not have anything to do with it.

Chairman WALSH. It was sent out by Mr. Lee or his office boy or his stenographer, was it not—he sent out the falsehood?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. It turned out to be untrue, didn't it?

Mr. ROCKEFELLER, Jr. It was subsequently proved to be untrue.

Chairman WALSH. How long was it before Mr. Lee sent out something to the effect that it was not true?

Mr. ROCKEFELLER, Jr. Mr. Lee requested the man who was issuing the bulletins to issue a statement correcting the statement which was made.

Chairman WALSH. How long was it before it was issued?

Mr. ROCKEFELLER, Jr. I do not know.

Chairman WALSH. Have you not heard since?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. Was it not months before the correction was published?

Mr. ROCKEFELLER, Jr. It was several weeks.

Chairman WALSH. At the time Mr. Lee wrote the statement setting forth the account that the miners in the anthracite fields were a set of hogs, was he not at that time publicity agent for the anthracite operators in that strike?

Mr. ROCKEFELLER, Jr. I do not know.

Chairman WALSH. Did you indorse that method of publicity?

Mr. ROCKEFELLER, Jr. I do not feel called upon to pass on the methods of publicity used by the anthracite coal operators.

Chairman WALSH. Didn't that amount to deliberately creating in the public mind a false impression as to the miners?

Mr. ROCKEFELLER, Jr. I do not see any pertinence in the question to the investigation which the commission is conducting, Mr. Chairman.

Chairman WALSH. The pertinence of it is that Mr. Lee is still sending out your publicity bulletins, and I am calling attention to his ideals and methods to find out whether you approve of them, so that the responsibility may be fixed for any unrest that may come from that action.

Mr. ROCKEFELLER, Jr. You are trying to make it appear that Mr. Lee had attempted to do what is wrong and that I have sanctioned it.

Chairman WALSH. I am asking you if you approve of his ideals and methods, and your answer may be yes or no. Do you believe that the statement I have read you of Mr. Lee's in reference to the anthracite miners did amount to a deliberate attempt to create in the public mind that impression of the men on strike?

Mr. ROCKEFELLER, Jr. I shall have to ask to have the statement reread to get the context.

Chairman WALSH. This is the same article:

"The laymen will not analyze figures"—

Mr. ROCKEFELLER, Jr. Did you reread the statement?

Chairman WALSH. I am going to reread the statement. I will begin at this point:

"An experience in the anthracite coal strikes of 1906 will illustrate this idea: The miners asked for a standard rate of wages to apply to all collieries. It seemed monstrous to the operators. They, therefore, took the actual pay sheets for certain mines and applied the proposed rates to the actual rates then being paid. They found—and so stated specifically to the public—that in some cases, the men's demand called for wages three times as great as were being paid. That announcement was shown to a railroad president, and he said: 'What is the use of putting out anything of that sort? The people want to know about the whole thing, not about a few petty details.' He had hardly uttered that suggestion before the evening papers were on the streets with such headings as 'Miners ask 150 per cent increase in wages.' Now, if you will give me the headings, I will give you the articles and the editorials. Any man reading that heading would immediately jump to the conclusion that the miners were a set of hogs. The effect of that was instantaneous."

Did this not amount to deliberately creating in the public mind a false impression as to the demands of the miners in that case?

Mr. ROCKEFELLER, Jr. It was true they asked for an increase of 300 per cent.

Chairman WALSH. You did not think that would have a tendency to create a false impression?

Mr. ROCKEFELLER, Jr. It did not state the whole fact, but it stated the truth, as far as it went.

Chairman WALSH. You believe that is right as far as it went?

Mr. ROCKEFELLER, Jr. I am not passing on that. I did not write that article.

Chairman WALSH. I will pass to another part of the article. Mr. Lee said further in the statement he sent you:



"The crowd craves leadership. If it does not get intelligent leadership, it is going to take fallacious leadership. We know that the leadership which the mob has often received not only in this country but in other countries, unless corrected, is liable to produce disastrous consequences."

Who was the mob he referred to?

Mr. ROCKEFELLER, Jr. You will have to ask him.

Chairman WALSH. Whom do you think he referred to?

Mr. ROCKEFELLER, Jr. I do not know.

Chairman WALSH. Was it the American people?

Mr. ROCKEFELLER, Jr. I can not say.

Chairman WALSH. Whom do you think Mr. Lee was referring to when he says:

"We know that the leadership which the mob has often received not only in this country, but in other countries, unless corrected, is going to produce disastrous consequences."

Mr. ROCKEFELLER, Jr. I think that is true of any group of people.

Chairman WALSH. Whom do you think he referred to as the "mob"?

Mr. ROCKEFELLER, Jr. My inference is not any more accurate than yours. I suppose he was referring to the people of this country.

Chairman WALSH. The American people?

Mr. ROCKEFELLER, Jr. Wherever mobs have gathered—wherever there is a mob.

Chairman WALSH. Do you think he referred to the American people as a whole or simply to mobs in the sense that they gather to violate the law—to commit violence, or something of that sort?

Mr. ROCKEFELLER, Jr. I think Mr. Lee will have to answer that question.

Chairman WALSH. He was setting forth his ideals to you as one of his employers. Can't you tell us?

Mr. ROCKEFELLER, Jr. No; I can not tell you.

Chairman WALSH. Do you say you do not know what he meant by that term—that he did not mean the American people, but such a mob as you intimate, a mob of rioters?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. You do not know?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. Do you believe that mobs that come together suddenly, for the purpose of committing violence, read newspapers?

Mr. ROCKEFELLER, Jr. I suppose so.

Chairman WALSH. I mean while the mob is being formed and while the riot is taking place?

Mr. ROCKEFELLER, Jr. No, sir; but they read that which puts them into the spirit of doing that.

Chairman WALSH. Do you understand he referred to the American people when he referred to "the mob"?

Mr. ROCKEFELLER, Jr. I do not recall what I understood at the time. I assume from what you read he meant what he said—wherever there was a mob gathered in any locality.

Chairman WALSH. He did not mean the American people as a whole?

Mr. ROCKEFELLER, Jr. I see no reason for such assumption.

Chairman WALSH. He thought only of mobs gathered in localities to commit violence—they ought to have intelligent leadership and not fallacious leadership?

Mr. ROCKEFELLER, Jr. I think it would prevent much violence if there were intelligent leadership.

Chairman WALSH. In the beginning of his article Mr. Lee sets forth three "Popular ideas of railroads," which he says has a deeply sinister meaning. He says:

"But somehow or other the public has come to have the idea that three essential evils are embedded in the railroad business:

"First. The first is that there is a vast amount of watered stock on which dividends are being paid. Now, there is no essential immorality in the existence of watered stock. It is, after all, a mere business question."

Do you agree with that?

Mr. ROCKEFELLER, Jr. Will you read it again, please?

Chairman WALSH. "The first is that there is a vast amount of watered stock in which dividends are being paid. Now, there is no essential immorality in the existence of watered stock. It is, after all, a mere business question."

Do you agree with that?

Mr. ROCKEFELLER, Jr. I think it is always undesirable to have watered stock.

Chairman WALSH. Do you accept Mr. Lee's statement that there is no immorality in the existence of watered stock in a corporation that demands the right to earn interest on all its outstanding stocks and bonds?

Mr. ROCKEFELLER, Jr. I think it is a very undesirable thing, Mr. Chairman, to have watered stock. I would not have it in any company with which I was connected.

Chairman WALSH. He says further:

"In the second place, there is a widespread feeling that the railroads are ruled from Wall Street; that a small coterie of bankers, in alliance with the so-called 'Money Trust,' are absorbing huge profits from the people."

Mr. ROCKEFELLER, Jr. So far as I know it is absolutely untrue.

Chairman WALSH. Do you mean to deny that the principal railroads of the country are controlled by a small coterie of bankers in New York, and that these groups are absorbing huge profits from the people?

Mr. ROCKEFELLER, Jr. I do.

Chairman WALSH. Now, on July 17, following his employment, and after you had ascertained his ideals and his methods, as far as they are set forth in that paper, you sent him a communication from Seal Harbor, Me., which was your summer home, I presume.

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH (reading):

"DEAR MR. LEE: I inclose herewith an article by Prof. John J. Stevenson, of the New York University, on 'Capital and labor,' from the Popular Science Monthly of May. This seems to me one of the soundest, clearest, most forcible pronouncements on this subject I have ever read. I am wondering whether there may not be a stage in our publicity campaign, either connected with the Colorado situation or the union education campaign, in which portions of this article might be effectively used."

Now, this was an article that you discovered yourself or read, while you were at Seal Harbor, Me., Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. And it was written by Prof. John J. Stevenson, of the New York University, on the subject of "Capital and labor"?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. And you considered it one of the soundest, clearest, most forcible pronouncements on this subject that you had ever read, and you sent it to your publicity man with the suggestion that he use it either in connection with the Colorado situation or the union educational campaign?

Mr. ROCKEFELLER, Jr. Yes, sir. You have read it from my letter.

Chairman WALSH. You still hold that view about it?

Mr. ROCKEFELLER, Jr. I have not read the article since that time.

Chairman WALSH. I will read statements from this article, which you say is the soundest, clearest, and most forcible pronouncement on the subject.

Mr. ROCKEFELLER, Jr. I suppose statements taken here and there will hardly give the whole idea.

Chairman WALSH. No; but I am going to read certain statements from it, and ask if they correctly represent your point of view.

Mr. ROCKEFELLER, Jr. My statement was made on the whole article.

Chairman WALSH. I am going to take some statements out of it and question you on them particularly, and ask you to answer yes or no, following that with any explanation you may desire to make as to whether or not you still believe it is the soundest, clearest, and most forcible pronouncement you have ever seen on that subject.

Mr. ROCKEFELLER, Jr. I want to call attention to the fact that I made the statement on the article as a whole. On the whole I think it is just as I stated.

Chairman WALSH. I will call your attention to the statement in the second paragraph:

"It must be evident to any thoughtful man that wife and children can not be considered in connection with the relations of wage earner and wage payer. The only question concerns the worth of the man's service."

Do you agree with that?

Mr. ROCKEFELLER, Jr. No; I do not think I do.

Chairman WALSH. But you were going to have this publicity man send that out as a whole?



Mr. ROCKEFELLER, Jr. You read the suggestion that I made.

Chairman WALSH. But it was up to him to send out any part of it.

Mr. ROCKEFELLER, Jr. I suggested that the article could be used; yes, sir.

Chairman WALSH. In the third paragraph Prof. Stevenson says:

"One is told that in each year 200,000 women in our land are compelled to sell their bodies to procure the necessities of life, and that each year sees 700,000 children perish because their parents have insufficient nourishment. But the voices, which rise in bitter outcry against this awful condition, do not rise in protest against encouragement of unrestricted reproduction among the wretched or against the wide open door which increases the population annually by a net half million of, in great part, poverty-stricken immigrants—and this in face of the fact that our country is no longer able to provide work for those already here. If it be true that the alleged number of children die because they or their parents have insufficient nourishment, one must concede that their deaths are a blessing to themselves and to the community. Such children should not have been born."

Was that in the third paragraph in the pronouncement which you say is the best, clearest, and most forcible you have ever read on the subject of "Capital and labor?"

Mr. ROCKEFELLER, Jr. I can not recall, Mr. Chairman, whether it was in the third paragraph or not.

Chairman WALSH. Do you agree with that statement?

Mr. ROCKEFELLER, Jr. That it is better for those children which can not be fed—

Chairman WALSH. I will read it to you again:

"One is told that, in each year 200,000 women in our land are compelled to sell their bodies to procure the necessities of life, and that each year sees 700,000 children perish because their parents have insufficient nourishment. But the voices which rise in bitter outcry against this awful condition do not rise in protest against encouragement of unrestricted reproduction among the wretched or against the wide-open door which increases the population annually by a net half million of, in great part, poverty-stricken immigrants—and this in the face of the fact that our country is no longer able to provide work for those already here. If it be true that the alleged number of children die because they or their parents have insufficient nourishment, one must concede that their deaths are a blessing to themselves and the community. Such children should not have been born."

Now, considering the whole article as one of the soundest pronouncements you have ever seen on this subject, and considering the statement that the deaths each year from lack of nourishment of 700,000 little children is a blessing to themselves and to the community and that such children should not have been born, I ask you the direct question: Do you believe that the poor should be prohibited from marrying?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. If not, do you believe in the limitation of childbirth after marriage?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. What effect do you believe the sending out of a statement like that would have upon the millions of poor people in this country if Mr. Lee had sent it out?

Mr. ROCKEFELLER, Jr. I do not believe it would be read by them.

Chairman WALSH. You do not believe it would be read by them?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. When you were asking Mr. Lee to send out any part of that article that he might see fit to use, do you believe that if Mr. Lee had sent it out the people would not have read it?

Mr. ROCKEFELLER, Jr. I say the poor people.

Chairman WALSH. Oh!

Mr. ROCKEFELLER, Jr. I do not believe the poor people would read it.

Chairman WALSH. But there are many poor people who are very intelligent who might read it.

Mr. ROCKEFELLER, Jr. Yes, sir; that is true.

Chairman WALSH. Was it just intended to be read by people in comfortable circumstances—rich people?

Mr. ROCKEFELLER, Jr. By anyone interested in the subject.

Chairman WALSH. What effect did you believe it would have on the thousands and thousands of poor people who might read that article sent out by Mr. Lee?

Mr. ROCKEFELLER, Jr. My statement that it might be useful if broadly published was not based on one or two passages. I did not write the article. I might have changed it if I had.

Chairman WALSH. You wanted it sent out?

Mr. ROCKEFELLER, Jr. I thought the article as a whole would be a good thing.

Chairman WALSH. It did contain what I have just read you?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. At this point the commission will adjourn until 2 o'clock this afternoon.

(In accordance with which the commission, at 12.30 o'clock, adjourned until 2 o'clock, Friday, May 21, 1915.)

#### AFTERNOON SESSION—2 P. M.

Chairman WALSH. Mr. Rockefeller, if you will please resume the stand now.

In regard to the alleged correction of a misstatement made in the bulletin, or error that you say was made in the bulletin with respect to the compensation of the officers of the United Mine Workers of America—

Mr. ROCKEFELLER, Jr. Pardon the interruption, but at the close of the morning session you had read a passage from a certain article, "Labor and capital," by Prof. John J. Stevenson, and asked my opinion in regard to it.

Chairman WALSH. Have you had an opinion written out since?

Mr. ROCKEFELLER, Jr. No, sir. This was the passage: "The wage in shops and factories is said to be so small that women are driven to prostitution; one is told that, in each year, 200,000 women in our land are compelled to sell their bodies to procure the necessities of life, and that each year sees 700,000 children perish because their parents have insufficient nourishment. But the voices, which rise in bitter outcry against this awful condition, do not rise in protest against encouragement of unrestricted production among the wretched, or against the wide-open door which increases the population annually by a net half million of, in a great part, poverty-stricken immigrants—and this in the face of the fact that our country is no longer able to provide work for those already here. If it be true that the alleged number of children die because they or their parents have insufficient nourishment, one must concede that their deaths are a blessing to themselves and to the community. Such children should not have been born."

You stopped at that point, Mr. Chairman, and the next clause reads:

"But the assertions are a priori, they can not be proved, and are closely related to the other assertion that poverty is the cause, not merely a cause of crime."

I submit that that additional sentence changes and gives an entirely different construction to the whole passage read, and when I am being questioned on passages, it is only fair that I be given the whole article, or the whole letter be read, so that there will not be such palpable misrepresentation of facts as have appeared. In the statement that you read in regard to Mr. Ivy Lee, the memorandum from which you quoted, was, I take it, the speech delivered by Mr. Lee before the American Railway Guild, and this sentence appears in that speech, which you did not read, if it doesn't appear in your copy I would be glad to produce one for you, or give you a copy.

Chairman WALSH. There was a great deal I didn't read.

Mr. ROCKEFELLER, Jr. I think you will agree, and the commission as well, that this sentence was a most important one in view of the questions that you read.

Chairman WALSH. Maybe I will and maybe I will not.

Mr. ROCKEFELLER, Jr. "Do not misunderstand me," Mr. Lee goes on to say, "Nothing is further from my thoughts than to suggest any attempt to prove things are good which are really bad. No one should condone the bad and it should be, as I believe it, the constant aim of nearly every railroad man to make things better. What I do mean is that we should not neglect the human nature of the situation but should take full advantage of it; that we should tell our story, tell it frankly, tell it fully, and tell it with a view of its being understood and carrying conviction as to the essential truth."

Chairman WALSH. Now, I will just continue my examination along that line. Now, this article that you say you construed one of the soundest pronouncements you have ever seen on the subject of capital and labor, also on page 2, paragraph 3—on page 3, paragraph 3, Prof. Stevenson further says:



"Unskilled labor is merely animated machinery for rough work and adds very little value to the final product. One E. H. Harriman is of more lasting service to a nation than would be 1,000,000 of unskilled laborers, without a Harriman they would be a menace."

Is that contained in that article?

Mr. ROCKEFELLER, Jr. It appears in this copy.

Chairman WALSH. And do you agree with Prof. Stevenson that unskilled labor, human beings, are merely animated machinery?

Mr. ROCKEFELLER, Jr. I do not see why, Mr. Chairman, I should be asked to express opinions on this article by another author. It is not an article that I have written. I don't see any connection.

Chairman WALSH. Didn't you send it to your publicity agent?

Mr. ROCKEFELLER, Jr. I did.

Chairman WALSH. And said it was the soundest and best pronouncement on the subject of capital and labor you had ever seen.

Mr. ROCKEFELLER, Jr. I did, and if you would desire to question me on this article, I think that it is only fair that the entire article may be read so the facts may be known.

Chairman WALSH. Well, this part of the examination I happen to be conducting myself, Mr. Rockefeller, and any strictures that you have to pass on the way I conduct my affairs may seem to you to be in good taste, and perhaps they are, but they will have no effect whatever on me. I am going to conduct this thing in my own way. I will ask you to answer the questions, with any explanations you have to make; you, yourself, with the assistance of your staff, after I get through, may put in anything you desire to put in. But so far as directing me how I shall conduct this examination, or as to the questions I shall ask you, I must decline to follow your advice, and will conclude as quickly as we can. Now, if you try to follow out that spirit—

Mr. ROCKEFELLER, Jr. (interrupting). My only purpose was that the investigation might in every way be a fair one, Mr. Chairman, but, of course, you will conduct it in any way you see fit.

Chairman WALSH. Yes; and I am to be the judge of the fairness of my way of conducting it; and your strictures will have no effect on it. I am not commenting on the way you conduct your business at this time.

In paragraph 4, page 3, Prof. Stevenson says:

"The asserted power of capital is little better than a nightmare. There can be no federation comparable with the existing federation of labor. The acquirement of capital—that is, the saving of a part of one's income or wages—demands much personal independence and self-control and individuality which makes impossible such slavlike obedience as prevails in labor unions."

That was your opinion, was it, and you wanted that sent out by your publicity agent to the world?

Mr. ROCKEFELLER, Jr. I prefer not to make an expression on that.

Chairman WALSH. Very good. Do you agree with this in the following paragraph of a letter from Mr. Bowers, then vice president and treasurer of the Colorado Fuel & Iron Co. dated November 18, 1913, to yourself, in which Mr. Bowers says:

"You will be interested to know that we have been able to secure the cooperation of all the bankers of the city, who have had three or four interviews with our little cowboy governor, agreeing to back the State and lend it all the funds necessary to maintain the militia and afford ample protection so our miners could return to work, or to give protection to men who are anxious to come up here from Texas, New Mexico, and Kansas, together with some from States farther east."

Mr. ROCKEFELLER, Jr. What is "this"?

Chairman WALSH. I say, do you agree with the paragraph here—paragraph 4 of page 3 of Prof. Stevenson's article, where he says:

"The asserted power of capital is little better than a nightmare. There can be no federation comparable with the existing federation of labor." But that letter I read you was a letter from Mr. Bowers, saying he had organized the bankers and financial interests of capital and would put into line what he calls the "little cowboy governor."

Mr. ROCKEFELLER, Jr. I prefer not to express any opinions on this paper of Prof. Stevenson.

Chairman WALSH. You prefer not to express any opinions on it?

Mr. ROCKEFELLER, Jr. I do.

Chairman WALSH. You still stick to your opinion that it was the soundest and best pronouncement on the subject of capital and labor you had ever seen, and sent out, but decline to express any public opinion upon any parts of it? Is that the way of it?

Mr. ROCKEFELLER, Jr. My statement, Mr. Chairman, was made on the paper as a whole, and I stand by that statement.

Chairman WALSH. You stand by the statement you made on the paper as a whole, being one of the soundest and best pronouncements on capital and labor you had ever heard?

Mr. ROCKEFELLER, Jr. As a whole.

Chairman WALSH. In another paragraph of the letter Prof. Stevenson says: "Workmen's compensation laws are enacted freely, and are wholly against the capitalist."

Do you want the people of the United States to believe that?

Mr. ROCKEFELLER, Jr. I have no opinion to express.

Chairman WALSH. Do you agree, or do you say that workmen's compensation laws in the United States are wholly against the capitalists?

Mr. ROCKEFELLER, Jr. No. On that concrete question, I say no.

Chairman WALSH. And still you were willing for your publicity agent to send out to the world what you said to be a sound and splendid pronouncement, containing the statement that compensation laws are enacted freely and are wholly against the capitalist, and you did not believe it at the time?

Mr. ROCKEFELLER, Jr. I am not defending the paper. I thought there was much that was excellent in it, and I still think so.

Chairman WALSH. On page 4, in paragraph 3, Prof. Stevenson says:

"The owners of concerns assume all risks, while others control the workers and the methods."

Do you indorse that paragraph?

Mr. ROCKEFELLER, Jr. Will you kindly repeat it, Mr. Chairman?

Chairman WALSH (reading). "The owners of concerns assume all the risks, while others control the workers and methods."

Mr. ROCKEFELLER, Jr. I should have to get the entire context to know what that meant, what the "others" are.

Chairman WALSH. That means the worker, the others in the industry besides the owners who assume all risk.

Mr. ROCKEFELLER, Jr. I prefer not to express an opinion.

Chairman WALSH. Well, what would you say as to the relative importance of the risk by the taking of which a man might lose part of his income as compared with the risk which a man would assume by taking the risk of loss of life or of limb and the subjecting of his wife and children to poverty or pauperization?

Mr. ROCKEFELLER, Jr. You mean, which is the greater risk to the individual?

Chairman WALSH. Yes, sir.

Mr. ROCKEFELLER, Jr. Of course the man that loses all is risking more than the man who loses part.

Chairman WALSH. That is, the man who loses his life or limb would assume a greater risk than the man who assumes the risk of losing a part of his income?

Mr. ROCKEFELLER, Jr. I should regard life as about the most important outside of honor.

Chairman WALSH. Yet you wanted your publicity agent to send out that article, didn't you, containing that statement?

"The owners assume all the risks, while others control the workers and the methods."

You wanted that sent out?

Mr. ROCKEFELLER, Jr. My statement with reference to the article as a whole stands, Mr. Chairman.

Chairman WALSH. On page 5, Prof. Stevenson says:

"Under existing conditions agreements can be enforced against wage payers, but not against the unions."

What did you mean by that? Or what did you consider Mr. Stevenson meant by that?

Mr. ROCKEFELLER, Jr. I am not prepared to undertake to interpret Mr. Stevenson's statements.

Chairman WALSH. In the second paragraph, on page 5, Prof. Stevenson says:



"It would appear that the only solution of the problem may be in placing the control wholly in the hands of wage payers as in the nonunionized industries."

Do you believe in that?

Mr. ROCKEFELLER, Jr. I have not formulated any views on that subject.

Chairman WALSH. Do you believe that the only solution of the problem between capital and labor may be in placing control wholly in the hands of those who pay the wages, as in nonunionized industries?

Mr. ROCKEFELLER, Jr. What do you mean by the "control"? Do you mean control or management of the business?

Chairman WALSH. I will read you Mr. Stevenson's words again, Mr. Rockefeller:

"It would appear that the only solution of the problem may be in placing the control wholly in the hands of wage payers, as in the nonunionized industries."

Mr. ROCKEFELLER, Jr. What thought he had in mind, of course, I don't know. But I have expressed myself on various occasions before this commission as believing that an industry—a business—was made up of its workers, its officers, and directors, and stockholders, and that all had a common interest, and that the common interest of all should be considered; and so far as that statement may be at variance with what Prof. Stevenson has said, I stand by the statement as against his statement.

Chairman WALSH. Then you differ with him?

Mr. ROCKEFELLER, Jr. In so far as there is a difference in the statement I have made.

Chairman WALSH. And you did not believe that was sound economic doctrine at the time you told this man, or suggested to this man, that he send this out to the people of the United States.

Mr. ROCKEFELLER, Jr. I did not make any statements as to what I believed as to any portion of that. I simply said the paper as a whole, I thought, was valuable.

Chairman WALSH. Well, that is a very important matter in industry to-day. It involves the question of compelling men to bargain individually, as they call it, or not to have the protection of collective bargaining, and the right of men to bargain collectively, don't it?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. And you stated on the stand in New York, and you state here now that you are a believer in collective bargaining?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. And still you wanted your publicity agent to send out thousands of an article which you declare to be sound and practicable, in which it says it would appear that the only solution of the problem—that is, the problem of labor and capital—may be in placing the control wholly in the hands of the wage payers, as in nonunionized industries?

Mr. ROCKEFELLER, Jr. He says it may be; he don't say it is. That was an expression of his views; and whether I agreed with him or not don't follow.

Chairman WALSH. And yet you say, disagreeing with that now, that you wanted it sent out broadcast?

Mr. ROCKEFELLER, Jr. I thought the statement contained many points that were admirable. My suggestion was made, was it not, 18 months ago—or possibly last summer? It is a year since I recommended the sending out of this. Perhaps my views have changed in the meantime.

Chairman WALSH. Well, have your views changed in the meantime as to the right of the men to collective bargaining?

Mr. ROCKEFELLER, Jr. I stated my opinion on that.

Chairman WALSH. You said that you believed in collective bargaining. Now, you are the one that would know; have your views changed since you asked Mr. Lee to send that out?

Mr. ROCKEFELLER, Jr. I do not say whether they have or have not changed on that. I said they may or may not have changed. My views on various subjects may have changed.

Chairman WALSH. Well, have your views on that subject changed between the time you suggested that that article be sent out broadcast and now?

Mr. ROCKEFELLER, Jr. I stated—I said, Mr. Chairman, I had not formulated my views on that subject.

Chairman WALSH. If you have no views on that subject now, and have not had, how have you changed your views? You say now you believe in collective

bargaining. Are you prepared to establish collective bargaining, so far as your influence as a director goes, in the coal mining industry of Colorado, and in the iron industry of Wyoming?

Mr. ROCKEFELLER, Jr. I think that the statements which have been made in reference to the plan which has been started in connection with the Colorado Fuel & Iron Co. of cooperation between the men and the officers of meetings between the two, of constant conferences, as regards various matters of common interest, is the nucleus. It has in it the elements of collective bargaining.

Chairman WALSH. Is that your interpretation of collective bargaining; what is being done in Colorado now?

Mr. ROCKEFELLER, Jr. I think it has in it the nucleus of collective bargaining, and, as I stated before the commission in January, my understanding is that this plan is being developed from time to time as the representatives of the men and the officers of the company in conferences—they see that it is in their common interest to develop it.

Chairman WALSH. Did you read the statement made by Dr. Gaddis, your former sociological expert, with reference to the first meeting of those so-called delegates in Denver?

Mr. ROCKEFELLER, Jr. I did not.

Chairman WALSH. That they were taken out in automobiles by the company, and that the delegate from one mine was a negro who owed the company \$100 which he was paying upon installments. Would you call that a system of collective bargaining, or the nucleus of a system of collective bargaining—delegates of that kind?

Mr. ROCKEFELLER, Jr. I don't think the character of the delegates would have anything to do with whether that was the nucleus of collective bargaining or not. So far as the character of the delegates is concerned, as I have stated before to the commission, they were elected by the men at each camp in a meeting at which no officers of the company, or superintendents, or pit bosses were present, by secret ballot. If they were the men that the various camps selected to represent them I should think that they were the proper men to represent that group.

Chairman WALSH. But if you did not agree or your company did not agree with what they did, they could simply discharge them and they would have no final assistance from any source that would aid them in compelling your company to treat them fairly.

Mr. ROCKEFELLER, Jr. The plan is in its infancy, as I understand, and I have outlined to the commission the extent to which it has been developed as I have been informed.

Chairman WALSH. Prof. Stevenson says in this same paragraph:

"One might imagine that medieval conditions exist everywhere whereas they exist only among the peons of the trade-union."

Do you agree with Prof. Stevenson that members of trade-unions are peons?

Mr. ROCKEFELLER, Jr. I have no opinion to express.

Chairman WALSH. Considering the conflict you just had with your workers in the State of Colorado, do you think it made for industrial peace and good feeling in the United States to have your publicity agent send out a statement containing the assertion that the members of trade-unions were peons, which, in the general acceptance of the term is but little higher than a slave—if not a slave?

Mr. ROCKEFELLER, Jr. No such statement was sent out.

Chairman WALSH. You suggested that it be sent out.

Mr. ROCKEFELLER, Jr. I suggested that it might be sent out, but it was not sent out.

Chairman WALSH. If it was sent out, do you think that would have a tendency, considering the fact that you had just come out of this conflict with your employees in Colorado, to make for industrial peace in the United States?

Mr. ROCKEFELLER, Jr. I would not have suggested that the paper would be valuable to be sent out, unless I thought, on the whole, it contained statements and passages that would be generally helpful.

Chairman WALSH. In the same paragraph Prof. Stevenson says that the members of unions are said to number about 2,000,000 and that they thrive at the expense of the vast majority. Is that your belief?

Mr. ROCKEFELLER, Jr. I am not here to express an opinion.

Chairman WALSH. If that is true should not the vast majority be encouraged to join the unions and share in their advantages, considering there are advantages to their economical welfare?



Mr. ROCKEFELLER, Jr. My opinion is they should be allowed to do as they feel about it.

Chairman WALSH. In the next paragraph, on page 6, Prof. Stevenson says:

"Labor unions defy the law and are ever ready to demand its protection; their principles are no better than those of the India Thugs, who practiced robbery and murder in the name of Goddess Cali."

Is that your opinion of labor unions?

Mr. ROCKEFELLER, Jr. That is Prof. Stevenson's opinion.

Chairman WALSH. And coming right out of this conflict, in which there was bloodshed and killing of human beings, women and children, you wanted your publicity agent to send out through this country the statement of another man who said that the labor unions defied the law; that their principles are no better than those of the India Thugs who practice robbery and murder.

Mr. ROCKEFELLER, Jr. I did not suggest that that paragraph be sent out, but the article as a whole be sent out.

Chairman WALSH. If the article as a whole was sent out do you not think it would produce in the minds of the 2,000,000 members of organized labor, and those who perhaps sympathize with them, feelings of bitterness and the thought that the educational institutions of this country were against them and were making them outcasts and classing them with robbers and murderers?

Mr. ROCKEFELLER, Jr. I certainly would not have suggested the article would be useful in that way, if I had that opinion, Mr. Chairman.

Chairman WALSH. But you wanted the article sent out as a whole containing that statement.

Mr. ROCKEFELLER, Jr. If it was used at all, I suggested that it be used as a whole, as you will notice in my letter.

Chairman WALSH. As a matter of fact, you did not believe that the members of these labor unions were no better than India Thugs, did you, at the time?

Mr. ROCKEFELLER, Jr. What labor unions are you referring to?

Chairman WALSH. The ones Prof. Stevenson referred to and the ones you referred to in the article sent to Ivy Lee with the suggestion that the whole of it, as you now say, was to be used?

Mr. ROCKEFELLER, Jr. I do not know what labor unions he referred to; is it labor unions generally?

Chairman WALSH. I will read it. Were you mad at the labor unions at the time you wrote and asked to have it sent out? Did you have a feeling of anger?

Mr. ROCKEFELLER, Jr. I have expressed myself on various occasions as believing just as firmly in the organization of labor as in the organization of capital; I believe it is just as appropriate and desirable.

Chairman WALSH. I will read this paragraph: "Labor unions and their defenders justify the use of violence because without it they could not succeed." I take it that refers to labor unions?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. "The assumptions are that labor and society are at war, that the interests are irreconcilable, and that demands by labor leaders are always just. McNamara at Los Angeles saw no moral turpitude in arson and murder, because he fought for a principle. The unions evidently agreed with him for they expended a vast sum in his defense. Thirty-eight men were convicted in Indianapolis of complicity in his and similar crimes, but the union approved their work and reelected the convicts to their offices."

"The daily papers report almost daily cases of murder and arson in localities where strikes have been ordered."

"Labor unions defy the law but are ever ready to demand its protection; their principles are no better than those of the India Thugs, who practiced robbery and murder in the name of the Goddess Cali."

That refers to all labor unions, does it not?

Mr. ROCKEFELLER, Jr. I should take it that it did.

Chairman WALSH. And at that time, you did not believe, as a matter of fact, in your heart, that the members of labor unions were robbers and murderers and no better than India Thugs?

Mr. ROCKEFELLER, Jr. No; not labor unions throughout.

Chairman WALSH. But you wanted that sent out, did you not, in June, 1913 or 1914?

Mr. ROCKEFELLER, Jr. I didn't want it just sent out; I suggested it might be a desirable thing to send out.

Chairman WALSH. Now, you suggested that to the man who was drawing his pay from the investments which you represented, did you?

Mr. ROCKEFELLER, Jr. The question at that time as to who was to pay Mr. Lee had never been determined.

Chairman WALSH. You wanted Mr. Lee to send that out, did you?

Mr. ROCKEFELLER, Jr. No. I suggested to Mr. Lee that it might be desirable to publish.

Chairman WALSH. Because it was such a fine article?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. And so splendidly stated the question?

Mr. ROCKEFELLER, Jr. The general subject.

Chairman WALSH. Of capital and labor?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. Now, as a matter of fact, I will ask you the direct question, Did not you have that sent out so that it would appear to be an article by a disinterested educator, and it might instill in the minds of the people to whom the labor unions would appeal for support the thought that they were robbers, thugs, and murderers?

Mr. ROCKEFELLER, Jr. I had no such intention at all.

Chairman WALSH. You have heard much, have you not, and read much about the power of public opinion in these industrial disputes?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. It is a powerful thing, is it not?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. And has been expressed by many persons upon the stand, particularly by large employers of labor, that all these questions must be settled by public opinion finally, has it not?

Mr. ROCKEFELLER, Jr. Public opinion is the final court in this country.

Chairman WALSH. Now, if the members of the labor unions were not thugs and murderers, and you knew it, and Ivy Lee sent that out, was it not a palpable suggestion to him to do something that would poison the wells of public information, so that a false and incorrect opinion might be built up to the financial benefit of the Colorado Fuel & Iron Co. and your other investments?

Mr. ROCKEFELLER, Jr. Again I resent the imputation of the questions and utterly repudiate the motive. I had no such motive at all.

Chairman WALSH. Now, the second paragraph, on page 7, Prof. Stevenson says, speaking of the Standard Oil Co., the United States Steel Co., the Harvester Co., and the American Sugar Refining Co.:

"Attacks on these organizations by Government officials win great applause, in spite of the fact that so-called, 'trust-made' products are almost the only ones which have decreased in price, although the great companies pay high wages and their workmen have steady work, because trade-unions can not gain a foothold to impoverish the wage earner by strikes and compulsory idleness."

Now, you read that in the article?

Mr. ROCKEFELLER, Jr. I read the article as a whole.

Chairman WALSH. Now, did you believe, in your heart, at that time that the effect of trade-unions upon the wage earner was to impoverish them, or was it, and did you not know that it was, to add to their economic independence?

Mr. ROCKEFELLER, Jr. I think that sometimes trade-unions do impoverish and sometimes they help. I hope that much more frequently they help.

Chairman WALSH. In what instance did they impoverish?

Mr. ROCKEFELLER, Jr. I don't know.

Chairman WALSH. Name the union?

Mr. ROCKEFELLER, Jr. I am not prepared to.

Chairman WALSH. Name the time?

Mr. ROCKEFELLER, Jr. I am not prepared to.

Chairman WALSH. Upon what do you base your statement?

Mr. ROCKEFELLER, Jr. From what I have heard and generally understood upon the subject.

Chairman WALSH. Now, you say that trade-unions can not obtain a foothold in these corporations: The Standard Oil Co., the United States Steel Co., the Harvester Co., and the American Sugar Refining Co.?

Mr. ROCKEFELLER, Jr. Did I make that statement?



Chairman WALSH. This professor made this statement in the article that you sent Mr. Lee to send out, and I am asking you for the truth of it, if you know?

Mr. ROCKEFELLER, Jr. You just said that I said it, and I did not.

Chairman WALSH. I say it is contained in the article that you sent to Mr. Ivy Lee and had sent out to the public.

Mr. ROCKEFELLER, Jr. That is not your first statement.

Chairman WALSH. I changed my statement, and now in view of it, as you now understand it, did you at that time know that trade-unions could not gain a foothold in these corporations?

Mr. ROCKEFELLER, Jr. I don't know now that they could not.

Chairman WALSH. You would not pay for the circulation of a falsehood, would you?

Mr. ROCKEFELLER, Jr. Of course I would not.

Chairman WALSH. And would you not want to know whether or not a thing was the truth before you sent it out?

Mr. ROCKEFELLER, Jr. I would have to repeat what I said before, I thought the article as a whole would be one that would be helpful. I did not analyze it or say that this ought to be omitted or that, but it was my general impression of the article that it was helpful. I have not read it since, but I thought it would be generally helpful to all interested and concerned, and it was my suggestion that it might be desirable to publish that article.

Chairman WALSH. It was on account of the alleged facts contained in the article that made you think that?

Mr. ROCKEFELLER, Jr. It was on account of the article itself.

Chairman WALSH. Now, what do you say now; is it true that trade-unions can not gain a foothold in those organizations?

Mr. ROCKEFELLER, Jr. I am not in a position to know.

Chairman WALSH. Are you in a position to say now that wages are higher and conditions are better in those corporations I have mentioned than in unionized industries?

Mr. ROCKEFELLER, Jr. I do not know.

Chairman WALSH. Still you wanted that sent out containing those alleged facts to the people of the United States?

Mr. ROCKEFELLER, Jr. I don't know that it was not true, and I have not made any statement with reference to the details of the article, but simply the article as a whole.

Chairman WALSH. Do you believe it proper, in attempting to establish a public opinion in this country, to send out statements of that kind that you do not know to be true or false?

Mr. ROCKEFELLER, Jr. I would not have suggested the desirability of sending out that statement if I had not thought it was proper.

Chairman WALSH. But you did not know anything about the facts as to the wages paid in other industries compared with those?

Mr. ROCKEFELLER, Jr. I have no reason to disbelieve them.

Chairman WALSH. You have no knowledge of them at all?

Mr. ROCKEFELLER, Jr. I have a general knowledge of the subject.

Chairman WALSH. What is your knowledge as to the comparative rates of wages in these industries I have mentioned and unionized industries?

Mr. ROCKEFELLER, Jr. I meant the whole subject that the article treats of.

Chairman WALSH. I am speaking about that particular subject, the wages of the workmen.

Mr. ROCKEFELLER, Jr. I have no knowledge.

Chairman WALSH. You had no knowledge when that article was sent out, or suggested to be sent out?

Mr. ROCKEFELLER, Jr. I had no knowledge.

Chairman WALSH. Now, with reference to the statements that you now say are incorrect, that are contained in the bulletin, "Facts in regard to Colorado," sent out by Mr. Ivy Lee, or his stenographer or office boy, from Philadelphia, I will ask you if what I read you now is not the correspondence upon that subject?

Mr. ROCKEFELLER, Jr. Mr. Chairman, may I state, first you say that what I "now" say is incorrect, making it appear that that was just developed here this morning. I stated that when I learned that statement was not correct that I directed a telegram to be sent to Mr. Welborn to correct that statement.

Chair WALSH. I will state that what you still say is incorrect.

Mr. ROCKEFELLER, Jr. Certainly.

Chairman WALSH. I will ask you if that is all of the correspondence upon that subject. This is a telegram of September 30, 1914, to Ivy S. Lee, Broad Street, Philadelphia:

"It has been suggested, and I think very wisely, that on account of incorrectness of facts with respect to payments to officers of organization reported in Bulletin No. 4, that with the reissue of series 1, we inclose slip reading 'On page 67 it is stated that certain figures were taken from a report of secretary-treasurer U. M. W. of A., this is a mistake.' It is believed that officers are in doubt as to what information we have concerning their financial interest in the strike, and with this slip inserted they will not make any further answer. Number 14 has brought out some questions that can not be easily answered.

"J. F. WELBORN."

And Mr. Ivy Lee has sent the following:

"Pamphlet already printed and forwarded. Suggest you have slip printed in Denver and inclosed when mailing."

Was that all of the correspondence on that subject?

Mr. ROCKEFELLER, Jr. I had nothing to do with the first telegram, but whether the second is the telegram that Mr. Lee sent at my suggestion, or sent himself when we discovered this error, I do not know, but I presume it is.

Chairman WALSH. Now, can you produce any other letter or any other telegram referring to the question of correcting the statement as to the money that the officers received in Colorado that were conducting this strike?

Mr. ROCKEFELLER, Jr. I do not recall how I made this known to Mr. Lee; my wish was the correction should be made as full and complete as the error had been made, whether by word of mouth, whether by telephone, letter, or telegram, but I do know that is what I did.

Chairman WALSH. You said, I believe, in your examination this morning that you asked Mr. Lee to make the correction at once fully?

Mr. ROCKEFELLER, Jr. I asked Mr. Lee to have the correction made.

Chairman WALSH. Fully?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. And fairly?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. Now, I will read you again the quoted part of Mr. Welborn's telegram: "On page 67 it is stated that certain figures were taken from the report of secretary-treasurer of U. M. W. of A. This is a mistake."

Was that not allowing it to stand as if it was still the truth, although not taken from the report of the United Mine Workers of America?

Mr. ROCKEFELLER, Jr. I am not undertaking to interpret Mr. Welborn's correspondence. I am stating what my own act was the moment that I heard there was an error in that statement.

Chairman WALSH. If that is all the correspondence there is, then you would say that your request to have it fully corrected was not complied with?

Mr. ROCKEFELLER, Jr. I don't know, I—

Chairman WALSH. You don't know of any other correspondence except this?

Mr. ROCKEFELLER, Jr. But you have not produced any correspondence, nor can you prove, can you, that I have not telephoned or spoken to Mr. Lee about that? I didn't say how my message went to him, but I make the statement, and repeat it, and mean it, I say as soon as I heard there was an error I sent word to Mr. Lee, whether by telephone, telegraph, letter, or word of mouth, I do not recall, but I told him the statement should be corrected at once and fully and completely as the original statement was made. That is all I had to do with the matter.

Chairman WALSH. Now, if you found out that Mr. Lee did nothing except answer that telegram from Mr. Welborn, and that there was no correction made until after the strike was all over, until after the November election, you would say that your orders were not carried out by Mr. Lee, would you?

Mr. ROCKEFELLER, Jr. Mr. Lee I do not think had anything to do with making the correction itself; Mr. Welborn was issuing the correction.

Chairman WALSH. Mr. Welborn; then, if it be true that nothing more was done in respect to correcting that misstatement until after the strike was over, until after the November election, you would say that your instructions by letter or telegram or word of mouth or telephone were not carried out, would you not?

Mr. ROCKEFELLER, Jr. They certainly were not carried out at once, if that is a fact. I don't know when the correction was made.



Chairman WALSH. Now, I am going to call your attention specifically and direct your mind to the alleged control of yourself and your associates of the legal machinery and the governor in Colorado. Now, the opinion that Gov. Ammons refused to send the militia into the mining camps of Colorado to install strike breakers is true, is it not?

Mr. ROCKEFELLER, Jr. I think he did not do so at the outbreak, at the out-start.

Chairman WALSH. Now, did you read the statement made by former United States Senator Patterson in the inquiry in Denver?

Mr. ROCKEFELLER, Jr. I don't recall it.

Chairman WALSH. Have you ever read the statement made by Senator Patterson?

Mr. ROCKEFELLER, Jr. Not that I recall.

Chairman WALSH. I will read you a part of his statement leading up to this. This is a statement of ex-Senator Thomas M. Patterson:

"I then suggested to the governor that the public ought to know the purposes for which the State troops were to be used, in calling them out. There was intense excitement in the State. The partizanship was bitter, and that it was but due to the public that it should know the use that was going to be made of the State troops; and for that reason I suggested it would be well for him to have an interview prepared for publication in the morning newspapers, which would be the first paper to give notice of the act to be taken. He entirely agreed with me, and I telephoned to the office of the News to send up a reporter. In the meantime I had dictated something in the shape of an interview to his own stenographer, and I think had it ready by the time the reporter came; and in that interview the purpose for which the troops were to be used, first, to protect all property; second, to protect all men who were at work; third, to protect all who might desire to return to work; and, fourth, not to be used for the installation of strike breakers, was clearly set forth in the interview. After it was dictated and extended, it was read carefully to the governor, and he approved every word of it. Then it was given to the reporter, and that was published in the morning paper, this interview, together with the action of the governor calling out the State troops.

"I recall with great distinctness that the telegraphic report published of the reception of the militia, when they went into the strike field, indicated that they were received with genuine pleasure by the strikers. My recollection is that the newspaper accounts published in the papers were that the strikers cheered the first militia as they were disembarking from the trains, and I think I can safely say that there was the best of feeling between the militia and the strikers, so far as outward exhibitions were concerned from that time for the next several weeks—somewhere in the neighborhood of three weeks. They were playing baseball together and football, and things of that kind."

Now, I will ask you if following that you did not get the letter from Mr. Bowers stating that he had used the bankers, that he had used the financial interests to whip the governor into line?

Mr. ROCKEFELLER, Jr. I do not recall whether that letter from Mr. Bowers, from which you are quoting something, was written before or after the speech.

Chairman WALSH. It was written on November 18, and troops were sent out on October 28. If that was true, of course the letter was written that length of time after the troops were sent out.

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. He said, in his letter, that he finally did whip the governor into line.

Mr. ROCKEFELLER, Jr. He said that he, with a number of other people in the State, was urging the governor to protect life and property.

Chairman WALSH. What he said was that he had whipped them into line.

Mr. ROCKEFELLER, Jr. That is what I interpreted that to mean.

Chairman WALSH. And he used every weapon that could be used to whip them into line.

Mr. ROCKEFELLER, Jr. He used every influence he could bring to bear.

Chairman WALSH. He said he used every weapon to whip them into line. That was the language.

Mr. ROCKEFELLER, Jr. I do not suppose that he meant that he took a cudgel or firearm or anything of that sort. I suppose he used whatever force of public opinion he could bring to bear to urge the governor to do what was necessary to protect life and property.

Chairman WALSH. Let us see if we can ascertain what force he used. You say you are willing to leave everything to the attorney general as to the administration of law?

Mr. ROCKEFELLER, Jr. The attorney general and other forces of law and order in the State.

Chairman WALSH. Would you leave it to them before they were whipped into line?

Mr. ROCKEFELLER, Jr. Always.

Chairman WALSH. Always?

Mr. ROCKEFELLER, Jr. Yes, sir; I would leave it to them always unless they failed to protect life and property.

Chairman WALSH. Then, what would you do?

Mr. ROCKEFELLER, Jr. I should do whatever might be necessary, under the circumstances, to protect life and property.

Chairman WALSH. You would meet violence with violence if the officials would not act?

Mr. ROCKEFELLER, Jr. I would do what was necessary.

Chairman WALSH. Suppose the officials did not act, and a force was starting after your property, would you arm yourself or have others armed to repel that force with force?

Mr. ROCKEFELLER, Jr. It is a matter that was left, Mr. Chairman, as I stated, entirely in the hands of the officials of the company.

Chairman WALSH. What would you do?

Mr. ROCKEFELLER, Jr. I have not been put in a position where I needed to decide that question.

Chairman WALSH. Would it be proper for men to resist force with force if violence were absolutely impending?

Mr. ROCKEFELLER, Jr. I think it would be absolutely necessary to protect life and property.

Chairman WALSH. And if the officials did not do it, you would do it yourself?

Mr. ROCKEFELLER, Jr. I think everyone would do it.

Chairman WALSH. You think that is proper?

Mr. ROCKEFELLER, Jr. I think no other course would be proper.

Chairman WALSH. Of course, you would have to make up your own mind and your own judgment and your own conscience, as to whether the officials were failing in their duty, and as to whether violence was impending against your person and property?

Mr. ROCKEFELLER, Jr. In those circumstances the officials charged with the protection of life and property would have to make up their minds as to whether—

Chairman WALSH (interposing). But you would have to make up your own mind and your own conscience as to whether or not the officials were failing in their own duty and as to whether violence was impending?

Mr. ROCKEFELLER, Jr. I do not know where anyone else could turn.

Chairman WALSH. And if you believed that, you would resist that violence with all the force you could command?

Mr. ROCKEFELLER, Jr. I mean in order to protect life and property—

Chairman WALSH. Yes; in order to protect life and property, the officials failing, you would resist that force with all the force you could command?

Mr. ROCKEFELLER, Jr. You mean the officials of the State?

Chairman WALSH. Yes.

Mr. ROCKEFELLER, Jr. With whatever force I might be able to command.

Chairman WALSH. The officials failing you, and your property being about to be invaded or your life threatened, you would resist that force with all the force at your command?

Mr. ROCKEFELLER, Jr. With all the force that was necessary, that I could command.

Chairman WALSH. And if it meant the taking of life, to protect your property or your own life, of course you would do it.

Mr. ROCKEFELLER, Jr. I think almost any man would do it.

Chairman WALSH. It has been testified to a great many times here. [No response.] Now, as to the instrumentalities used by Mr. Bowers, I will get you to state whether or not you were informed that Mr. Bowers got the attorney general, Mr. Farrar, to go to the governor and ask him to change his order that he had made, that the troops were sent out to assist you in importing strike breakers from other States?

Mr. ROCKEFELLER, Jr. You ask if Mr. Bowers informed me to that effect?



Chairman WALSH. Yes.

Mr. ROCKEFELLER, Jr. I have no knowledge of that.

Chairman WALSH. Were the State authorities used for bringing imported strike breakers to your mines and putting them to work?

Mr. ROCKEFELLER, Jr. I have no knowledge of that situation.

Chairman WALSH. I will ask you if you did not read the testimony of Attorney General Farrar to this effect:

"I"—

Speaking of himself; he was testifying—

"told the governor that the operators had a property right in their mines that they were entitled to enjoy, that the men had a right to work, and that his position was tenable solely upon the ground that it was absolutely and imperative necessity in order to maintain order. I understand my view was not shared by Senator Patterson, but I will give you my view for what it is worth. The governor, therefore, modified that order and men were allowed to go to work. When he modified the order he gave specific instructions that the militia should see that the men brought to the mines to work were previously informed that a strike was in progress, and so far as I learned the militia required in every instance that that should be done. They gave men brought in to work the safe conduct to the mines and the production of coal was resumed by the mines.

"From the minute that the order was changed the relationship between the militia and the strikers changed also, and the strikers began to abuse them and continued to abuse them from that minute on."

Didn't you read that testimony given by the attorney general of Colorado in the hearing held in the State of Colorado?

Mr. ROCKEFELLER, Jr. I do not recall having read it.

Chairman WALSH. Didn't you know that it was a fact that the governor first ordered, under the advice of many citizens of Colorado, including ex-Senator Patterson—made an order when the militia was sent out—that they were to protect property and protect the men at work and protect the men who wanted to return to work, but they were not to be used by the company as an agency to conduct strikebreakers to the tipples in your mines in order to work in your mines?

Mr. ROCKEFELLER, Jr. I did not.

Chairman WALSH. I will ask you again, reading from the testimony at that point of Senator Patterson:

"At the end of about three weeks the newspapers were filled with details of violence. I made inquiry and then I learned for the first time, and much to my astonishment, that the orders that he had given to Gen. Chase as to strikebreakers had been recalled or changed, and that State troops were then being engaged in conducting strikebreakers into the mines. I think miners were brought from without the State, and under the protection of State troops were sent to the different mines. And things occurred under those circumstances, as I labored under the impression they would occur, because the history of all strikes is that where operators undertake to supply the place of striking miners it is met with resistance. And then things went from bad to worse, crimination and recrimination, the operators insisting that all violence was committed by the miners and the miners insisting that there was ample provocation for whatever violence they resorted to."

And he says that these went from that time onward from bad to worse, and that trouble commenced.

Now, if that is true—that which I have read you from the testimony of Senator Patterson and Attorney General Farrar, of Colorado—would you agree with me that the cause of the trouble was not in protecting your property, but in using State troops to conduct strikebreakers to the tipples of your mines?

Mr. ROCKEFELLER, Jr. I did not have to act on this situation. Mr. Welborn and Mr. Bowers, officers of the company, were engaged in handling that situation. I can only say that I have every reason to believe they did what was right and necessary in order to protect the property.

Chairman WALSH. Now, on this question of political control I want to take you back a little. General Farrar, of course, is a credible man, and is at present attorney general, and was the attorney general at the time of the strike?

Mr. ROCKEFELLER, Jr. Yes, sir; you make the statement that he was.

Chairman WALSH. You make the statement that he was a credible man, is he not?

Mr. ROCKEFELLER, Jr. I assume that he is. I do not know him.

Chairman WALSH. You wrote a letter to Mr. Bowers congratulating him on the reelection of General Farrar, did you not?

Mr. ROCKEFELLER, Jr. I do not recall. I may have.

Chairman WALSH. Do you not recall that one of the letters that you submitted to us congratulated Mr. Bowers on the reelection of Mr. Farrar?

Mr. ROCKEFELLER, Jr. I do not recall it, but it is highly possible.

Chairman WALSH. Is there any doubt in your mind that you wrote that letter congratulating Mr. Bowers on the reelection of General Farrar?

Mr. ROCKEFELLER, Jr. If Mr. Bowers had written me that it was a good thing for the State of Colorado and the people of the State, that it was a good thing for Mr. Farrar to have been reelected, I very probably did so.

Chairman WALSH. Do you remember that you did?

Mr. ROCKEFELLER, Jr. I do not.

Chairman WALSH. I will read it to you.

"I have just returned to the city after an absence of several weeks in the South with my wife, and find your letter of November 6 regarding the gratifying plurality for Carlson for governor and Farrar for attorney general. It would seem that the election of this Republican governor and the election of this Democratic attorney general, both of whom have established clear records as to their strong stand for law and order, would indicate that the sentiment of the people of Colorado is for law and order quite irrespective of party lines.

"Very cordially,

"JOHN D. ROCKEFELLER, Jr."

You wrote that letter, didn't you?

Mr. ROCKEFELLER, Jr. If it was the one I sent you; yes, sir.

Chairman WALSH. And law and order you referred to took place in organizing the militia and what took place at Ludlow, didn't it—that is your conception of law and order?

Mr. ROCKEFELLER, Jr. It included whatever they had done to establish law and order.

Chairman WALSH. Do you say that whatever a man does, who is clothed with official power, is right, in view of what you said about the right every man has to defend himself, where the officers of the State fail in their duty?

Mr. ROCKEFELLER, Jr. I do not quite understand the question. Will you repeat it?

Chairman WALSH. Do you say that everything a man does, clothed with official authority, is right?

Mr. ROCKEFELLER, Jr. Of course I could not say that any man was not bound to make mistakes of judgment. The millenium is not come yet.

Chairman WALSH. Your attention has been called to the fact that the sheriff mentioned in Mr. Bowers's letter has been elected over and over again for 16 years, and elected through the support of the mining companies, prior to 1904, is still in office and charged with the duty of summoning jurors in the strike cases, and he is the same man who swore in 326 mine guards to be paid by your company, before the 1st day of September, 1913.

Mr. ROCKEFELLER, Jr. What sheriff and what letter?

Chairman WALSH. Sheriff Farr and the letter, I might indicate, is the letter in which Mr. Bowers said that even the mules were voted when they had names. He is the same Jeff Farr, is he not?

Mr. ROCKEFELLER, Jr. That has done what?

Chairman WALSH. Who has been the sheriff of Huerfano County, who has been summoning coroner's juries, and is still summoning jurors for the criminal cases in Colorado.

Mr. ROCKEFELLER, Jr. I do not know.

Chairman WALSH. You do not know?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. I will read you what General Farrar said about that, at page 4303 of the testimony.

Before I come to Farrar, I will ask if Judge Northcutt is your attorney now?

Mr. ROCKEFELLER, Jr. I do not know, Mr. Chairman.

Chairman WALSH. You do not know that Judge Northcutt is the attorney of the Colorado Fuel & Iron Co., and helped to select the jury that helped to convict Lawson and Zancanelli?

Mr. ROCKEFELLER, Jr. I do not know that he is the same man.

Chairman WALSH. You do not know that Judge Northcutt is attorney for the Colorado Iron & Fuel Co.?



Mr. ROCKEFELLER, Jr. I do not recall that that information has ever come to me.

Chairman WALSH. As a matter of fact, you do know that the company out there controlled elections, State and county, do you not?

Mr. ROCKEFELLER, Jr. I do not.

Chairman WALSH. I will read you from the speech of the Hon. Jesse G. Northcutt, at Lamar, Colo., delivered October 10, 1912—and you say you do not know whether he is your attorney there or not?

Mr. ROCKEFELLER, Jr. I do not recall.

Chairman WALSH. Did you read the details of Mr. Lawson's trial?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. Were you interested in it?

Mr. ROCKEFELLER, Jr. I was.

Chairman WALSH. Are you interested to know whether the men live or die who were engaged in that strike in Colorado?

Mr. ROCKEFELLER, Jr. Very much interested.

Chairman WALSH. Did you read the trial of Zancanelli, the Italian who was convicted, and the trial of John R. Lawson, the labor leader, who was convicted?

Mr. ROCKEFELLER, Jr. I did not.

Chairman WALSH. In what way is your interest expressed in the life or death of these people—did you inquire into anything concerning it?

Mr. ROCKEFELLER, Jr. It is expressed in a statement I made this morning in reference to my attitude.

Chairman WALSH. You do not care to go any further than that?

Mr. ROCKEFELLER, Jr. I think that covers my position entirely.

Chairman WALSH. I will read an extract from the Hon. Jesse G. Northcutt's speech delivered October 10, 1912:

"The farmer will refuse, because he feels independent and feels he is not to be driven as a sheep, and you people are fortunate in being located in a farming community where you can get indorsements for that which is good, whether some man up in Denver says you may have it or not. This has been the condition so far as the Republican Party is concerned, and I am not going to say so much about the other party because I do not know much about it. About all I have to do with it is to fight it, but recently I have concluded it is not so awful bad because it is seeking so many of the things we are seeking and they will help us to get them, and so long as they will do that I am not going to be very bad to them. But, so far as our party is concerned, there at a convention the delegates do not even claim the right to nominate a single man on the ticket. Let me tell you how they do it, because as a matter of fact you are really affected and you are interested in it, and I will endeavor to tell you why. Up there several men get together in a room some days before the convention. They have already fixed up who the delegates to the convention shall be. They have probably given the local superintendent of the mines the number of delegates to which that community will be entitled. They do not tell him whom to bring. He knows he is to select a certain number of delegates who are to come in and follow the dictation of a single man whose name is given to them before they leave. He goes around and picks out Jim Archulet or some other fellow and says to him, 'I want you to go down to a convention tomorrow down at Trinidad, to a convention, and you see Mr. So-and-so and do as he tells you.' Knowing that these delegates will come in and do as they are told, a meeting of four or five leaders is held and they proceed to make the slate. 'We will take for county clerk So-and-so; he is a good man for the purpose.' Some other man says, 'But still I think probably some time within the last 8 or 10 months he had some trouble with some pit boss,' and there is just a suspicion that the company dislikes him. He isn't right with the company; he goes off the slate, and so it is from bottom to top the candidates are selected, not with a view to their fitness, not with a view to their ability to discharge their duty, not with a view to their integrity, but 'Are they satisfactory to the company?' If they are, that settles it."

Now, that is the statement made by the Hon. Jesse G. Northcutt in October, 1912. Now, I will read you from the testimony given before this commission by Attorney General Farrar, and I will ask, before I do that, suppose the delegates were selected and candidates were selected in that manner, would you believe that that is a desirable social condition in Colorado?

Mr. ROCKEFELLER, Jr. I think anything that prevents the election and the operation of local or national or State governments in an orderly and proper way is indefensible and deplorable, and should be terminated.

Chairman WALSH. Would you resist to the utmost of your power if it were applied to you individually? Suppose a man thus selected were a judge and attempted to try a case against you that might involve your life, would you not protest against it?

Mr. ROCKEFELLER, Jr. I would want to have just—I would want to have the trial conducted with absolute fairness.

Chairman WALSH. Suppose, now, you are a striking miner; would you want a man elected in that manner to pass on your case?

Mr. ROCKEFELLER, Jr. Certainly not.

Chairman WALSH. I will read you what General Farrar said about the Colorado Fuel & Iron Co.

Mr. ROCKEFELLER, Jr. Referring to the Colorado Fuel & Iron Co.?

Chairman WALSH. And other fields.

Mr. ROCKEFELLER, Jr. If you will simply call attention to the fact that it does not refer particularly to our company—you say “our company.”

Chairman WALSH. It will be difficult to do that, and I shall have to decline. As I remember, the Royal is very close to your mines, and that the operators in that vicinity are operating together, and it would be impossible for me to take the time to analyze these matters closely enough to distinguish between them as we go along.

Mr. ROCKEFELLER, Jr. If it is understood it is the operators and not any individual company, I think it will tend to clarify the record.

Chairman WALSH. It is the operators, and when I say the operators it always includes your company and maybe some others—the Colorado Fuel & Iron Co.

“Then it is not your duty”—

This is a question to General Farrar—

“to make any investigation as to whether or not the election laws are obeyed in the counties of the State or whether political corruption exists, or improper influences are brought to bear or not?

“General FARRAR. Well, I did make such an investigation; whether it is my duty or not, I made it.

“Chairman WALSH. In what county?

“General FARRAR. Las Animas and Huerfano; particularly Huerfano.

“Chairman WALSH. When did you make it.

“General FARRAR. That was made, as I stated, on my first trip down to Walsenburg after I was inaugurated. Early in 1913, early in the summer, I believe, I made a partial investigation in that regard.

“Chairman WALSH. Was it after the Ludlow incident?

“General FARRAR. Oh, no; it was the year before.

“Chairman WALSH. The year before?

“General FARRAR. Yes, sir.

“Chairman WALSH. In what month?

“General FARRAR. I can not recall the month.

“Chairman WALSH. Did you make a personal investigation?

“General FARRAR. Yes, sir.

“Chairman WALSH. And what did you ascertain, briefly, as to the condition there so far as the political control was concerned—alleged political control by the company?

“General FARRAR. I found a very perfect political machine, just as much a machine as Tammany in New York, as I have any knowledge of it; just as much of a machine as you will find in any of the places where a great many voters are susceptible to an organization of that kind. I found that the head of this political machine was the sheriff and that it was carried along lines very similar to those maintained in Tammany; that is, it had a system of relief in cases of need, and a system of giving rewards to these people, and I think, briefly speaking, the term machine covers the situation, just such a machine as you people may have in your own States or your own cities. Certainly, it was a machine.

“Chairman WALSH. Did you ascertain from what source the money came in organizing and maintaining it?

“General FARRAR. I was not able to place that definitely. I believe that the machine probably—well, I can not say that it existed with the help of the coal companies; I believe, however, it existed through its power as a machine over the coal company. That is, I can not be sure which was cause and which was effect; but there was undoubtedly some relationship between the two.”



Now, that is the statement of General Farrar. Now, then, I want to ask you this question: If that control of the officials, the governor, and the attorney general, and judges, is in the control of the coal companies, I believe you stated that would be a very undesirable situation?

Mr. ROCKEFELLER, Jr. Those offices should be in the control of the people.

Chairman WALSH. How is that?

Mr. ROCKEFELLER, Jr. The control of the officers of any State or community should be solely in the hands of the people who elected them.

Chairman WALSH. When they are not in the control of the people, but one industry controls them, what relief have the people of the community, if the officials themselves become law violators?

Mr. ROCKEFELLER, Jr. The ballot, I should say.

Chairman WALSH. But suppose it goes so far they arm men to go into the homes of the citizenry, then what must the people do?

Mr. ROCKEFELLER, Jr. The ballot would eventually give them relief, Mr. Chairman.

Chairman WALSH. Would you not think they should resist to protect their life and property?

Mr. ROCKEFELLER, Jr. I think anyone whose life is threatened and can not get protection from the duly constituted authorities, would be justified in using any means at his disposal to protect his life and property.

Chairman WALSH. You heard the testimony of Mr. Gaddis and Dr. McDonald, the minister at Sunrise?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. Did you read the testimony of Mr. Hansen Kubyak?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. They state the same belief that you do as to when the authorities fail in their duty and violence is immediately impending they have a right to fight back. You agree with that?

Mr. ROCKEFELLER, Jr. I think any man has a right to defend his life.

Chairman WALSH. Any man?

Mr. ROCKEFELLER, Jr. Yes, sir; any man.

Chairman WALSH. I will take a case like this: If it be true that there is an alliance between the coal companies and these officials, what would you consider as being the remedy of a man under these circumstances, that the coal company had an attorney in the State senate; that he introduced a law, promoted its passage, and got it upon the statute books creating a new judicial district; that immediately upon that being done a judge was appointed who had been the attorney for the coal company in the conduct of its cases; that you were about to come on for trial with the men who were involved in a strike against the coal company, charging them with violence; they were placed upon trial before that judge, he refusing to stand aside, although affidavits had been filed that he had been attorney for the coal companies in the very prosecutions that were coming before him. Under those circumstances what do you say that the citizen ought to do?

Mr. ROCKEFELLER, Jr. I believe I stated in the statement I read this morning my opinion is that justice should be so administered as to be above suspicion.

Chairman WALSH. Do you think that the concrete case I have given would be above suspicion?

Mr. ROCKEFELLER, Jr. I think that wherever there is a suspicion that justice can not be obtained—

Chairman WALSH. What is the relief of the individuals under the circumstances of the concrete case such as I have included in that question?

Mr. ROCKEFELLER, Jr. I am not in a position to make a reply to the question.

Chairman WALSH. Will you give a reply?

Mr. ROCKEFELLER, Jr. I am not in a position to give a reply.

Commissioner WEINSTOCK. If you will pardon me, Mr. Chairman, there is one answer that Mr. Rockefeller made that has left my mind in doubt as to what he intended to convey. Did I understand you to say, Mr. Rockefeller, that you would resist the authorities of the law?

Mr. ROCKEFELLER, Jr. No, sir; and if I seem to have made such an answer, I have given the wrong impression.

Commissioner WEINSTOCK. Then, I misunderstood you. To have it clear, I would suggest that the reporter go back and read that portion of the record.

(The reporter read as follows:)

“Chairman WALSH. But suppose it goes so far they arm men to go into the homes of the citizenry, then what must the people do?”

"Mr. ROCKEFELLER, Jr. The ballot would eventually give them relief, Mr. Chairman.

"Chairman WALSH. Would you not think they should resist to protect their life and property?

"Mr. ROCKEFELLER, Jr. I think anyone whose life is threatened and can not get protection from the duly constituted authorities would be justified in using any means at his disposal to protect his life and property."

Commissioner WEINSTOCK. Do you mean to resist the duly constituted authorities?

Mr. ROCKEFELLER, Jr. No, sir; I said that he should take whatever steps that are necessary to protect his life and property.

Commissioner WEINSTOCK. But not against the duly constituted authorities?

Mr. ROCKEFELLER, Jr. Certainly not; only when they fail to do what they are appointed to do.

Chairman WALSH. Suppose they started after you with a gun—these duly constituted authorities?

Mr. ROCKEFELLER, Jr. I should always protect my life, I think, Mr. Chairman, as you would and every other citizen.

Chairman WALSH. Even though it was constituted authority?

Mr. ROCKEFELLER, Jr. I should expect any man to undertake to protect his life.

Chairman WALSH. I was going to elucidate that and make this a little clearer, but maybe this little clearing up will not make it necessary.

Suppose, Mr. Rockefeller—I believe elections are every two years in Colorado, are they not?

Mr. ROCKEFELLER, Jr. I am not familiar with the law there.

Chairman WALSH. Supposing at the next election Mr. Edward Doyle should be elected governor of Colorado—one of the officials of the United Mine Workers of America, who is a citizen of Denver, and who testified before us; supposing that when you go out to Colorado that an indictment should be returned against you, rightfully or wrongfully, charging you with responsibility for what took place at Ludlow; supposing that the United Mines Workers also had control of the State Senate of Colorado; and suppose they had influence enough to have a law passed; and suppose they passed a law creating a new judicial district; that as judge of that district he appointed Horace N. Hawkins, the attorney for the United Mine Workers of America, as judge of that district, and you were indicted and brought before Horace N. Hawkins for trial; would you consider that you could get a fair and impartial trial under those circumstances?

Mr. ROCKEFELLER, Jr. Mr. Chairman, I should think that the chances were not the best.

Chairman WALSH. Now, then, what would you do to relieve yourself from that situation?

Mr. ROCKEFELLER, Jr. I should hardly be able to state until I was in the situation.

Chairman WALSH. Would you expect the men that were in charge of the United Mine Workers of America—at the head of it—charged with responsibility for the conduct of that organization, to come forward in their individual capacity as men and protest against your trial under those circumstances?

Mr. ROCKEFELLER, Jr. I think that the protest should be—whatever protest was made—should be made in the orderly way of going to the authorities.

Chairman WALSH. At the polls?

Mr. ROCKEFELLER, Jr. Well, if it was a question of changing the authority; yes.

Chairman WALSH. I will add one other matter to my hypothetical question. Supposing the evidence that was produced against you was the evidence of three men that had been working in your office at 26 Broadway, but who were in reality spies paid by the United Mine Workers of America for every day of the time they were in your office, and while they were testifying against you; would you consider that a proper situation in the administration of justice?

Mr. ROCKEFELLER, Jr. Decidedly not.

Chairman WALSH. And you would not expect, if that came to light, that the leaders of the United Mine Workers of America would protest against your conviction upon any such ground?

Mr. ROCKEFELLER, Jr. Whatever orderly protest should be made, I should hope would be made.

Chairman WALSH. You would want the protest made orderly, even if you were being convicted under such circumstances?



Mr. ROCKEFELLER, Jr. I should not wish any suppositious case to reflect upon the officials in charge.

Chairman WALSH. Would it be orderly for the officials in charge, when that came out, at their own volition, to make inquiry as to the truth or falsity of it, and, after having found out the truth, they did not take immediate steps to remedy the wrong done you?

Mr. ROCKEFELLER, Jr. I stated my opinion is that justice should be so administered as to be above suspicion, and I believe that always, whether in my own instance or the instance of any other man.

Chairman WALSH. I am asking this supposed case; if you were in that situation would you want the president of the United Mine Workers of America to write a statement saying, "I believe in the proper administration of justice at all times," and go no further than that to save you from a lifetime of suffering and degradation in the penitentiary?

Mr. ROCKEFELLER, Jr. I have stated clearly my position, and I do not feel that I should add to that.

Chairman WALSH. That is as far as you care to go?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. Then I will not pursue the matter any further. I want to call your attention to another letter written under date of September 4, 1913, from Mr. Bowers to you, as follows:

"There has been a group of labor-union agitators in southern Colorado for more than a month and threatening to call a strike for the purpose of securing recognition of the Western Federation of Miners, but protests have come from nearly all the State officials, from the governor down, together with the protests from the boards of trade and of commercial bodies, so that the matter has quieted down, though their national officials are still in Colorado. This has kept us all in a state of unrest, so that my vacation has been a season of worry. A disaster of this sort would put us up against a fight that would be serious indeed."

That was September 4. What action did you take, as a director of the Colorado Fuel & Iron Co., to secure information regarding the extent and character of this supposed possible disaster?

Mr. ROCKEFELLER, Jr. I had been informed that for some years a strike had been carried on in northern Colorado, and that an effort had been from time to time made to extend the influence of that strike into the southern part of the State, and this I interpreted to be another effort of a similar character, and I made no comment on the letter.

Chairman WALSH. Did you and your colleagues in New York have a fixed policy with reference to your conduct toward such effort to organize the men in the southern coal fields?

Mr. ROCKEFELLER, Jr. We had no policy. The policy, as I have stated in my several statements, was made by the officials of the company in Denver.

Chairman WALSH. Did you not consider it a serious enough matter, after receiving that notification on September 4, before the convention was held that called the strike—that decided on a strike—that immediate action should be taken by your board of directors?

Mr. ROCKEFELLER, Jr. I had no knowledge that a convention was to be called, as I remember, at that time; and as I have stated, this was simply a statement like others that I have heard of; the union from the northern part of the State had been undertaking to extend its organization into the southern part.

Chairman WALSH. I call your attention to another letter dated September 19, which Mr. Bowers wrote to Mr. Murphy, as follows:

"The strike is called for the 23d, but it is thought on the part of a good many operators that the officials anticipating being whipped, will undertake to sneak out if they can secure even an interview with the operators, which so far they have been unable to do, thus boasting before the public that they have secured the principal point; namely, recognition of the union."

Did you see that letter?

Mr. ROCKEFELLER, Jr. I did.

Chairman WALSH. So you knew, on the 23d of September, that in the opinion of the operators in Colorado, if your officers had simply met these men they would have sneaked away and not made any further effort to organize; simply using that as a recognition of the union?

Mr. ROCKEFELLER, Jr. I had that statement from Mr. Bowers that you read.

Chairman WALSH. Did you not consider that that request for an interview was a reasonable request and should have been granted?

Mr. ROCKEFELLER, Jr. It was a matter that was left for the officers of the company to decide.

Chairman WALSH. But it was sent to you, and you were a director of the company, were you not?

Mr. ROCKEFELLER, Jr. The information was sent to me.

Chairman WALSH. And you had the power to remove the members of your own executive board at will?

Mr. ROCKEFELLER, Jr. No; that is not correct; I had the power to suggest the withdrawal of any members of our staff if for any reason we preferred to have other people represent us.

Chairman WALSH. And when you make that suggestion, they were retired?

Mr. ROCKEFELLER, Jr. I had no control over the other members of the board.

Chairman WALSH. When you made that suggestion to Mr. Bowers he retired and went back to the personal staff?

Mr. ROCKEFELLER, Jr. I have no control over the members of the board other than those we appoint to represent us, and those may stay on or leave the board as we direct.

Chairman WALSH. Does that include Mr. Bowers?

Mr. ROCKEFELLER, Jr. He was not on the board as a representative of ours.

Chairman WALSH. Would that include Mr. Bowers, that course of practice?

Mr. ROCKEFELLER, Jr. The power to withdraw him?

Chairman WALSH. And to put him back on the personal staff?

Mr. ROCKEFELLER, Jr. I had no power over Mr. Bowers when he was an officer of the company; he was not in our employ at that time.

Chairman WALSH. Who put him on the board?

Mr. ROCKEFELLER, Jr. I think I said this morning that the officers, or rather the directors, or else the stockholders.

Chairman WALSH. That was Mr. Murphy we were talking about, and I am talking about Mr. Bowers. When he first went on the executive board, who put him on? Was he put on the same as Mr. Murphy?

Mr. ROCKEFELLER, Jr. He would be elected by the board.

Chairman WALSH. And you would take them away and put them on the personal staff of your interests, if you wished?

Mr. ROCKEFELLER, Jr. If Mr. Bowers cared to resign from the position he was holding and take another, he would be free to.

Chairman WALSH. Now, in the case of Mr. Murphy, would you not express your will, and put him on the personal staff of your father?

Mr. ROCKEFELLER, Jr. I don't think you make the distinction. Mr. Murphy was in the employ of my father and paid by him.

Chairman WALSH. I think I make the distinction.

Mr. ROCKEFELLER, Jr. On the other hand, Mr. Bowers was in the employ of the Colorado Fuel & Iron Co. and not receiving salary from us.

Chairman WALSH. When Mr. Bowers was first made vice president of this company, did he receive any salary as vice president of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. He received salary always as an official of that company.

Chairman WALSH. But was he not the same as Mr. Bowers, who always received a salary, but who is now on the personal staff of your father?

Mr. ROCKEFELLER, Jr. Mr. Murphy has never received salary from the Colorado Fuel & Iron Co.

Chairman WALSH. Even when he was vice president and member of the executive board?

Mr. ROCKEFELLER, Jr. I don't recall that he is receiving a salary for that. It may be that he has a nominal salary.

Chairman WALSH. I thought you said he was on the board and received a salary?

Mr. ROCKEFELLER, Jr. I said when Mr. Bowers was an officer of the Colorado Fuel & Iron Co., he received salary.

Chairman WALSH. But Mr. Murphy did not receive any salary?

Mr. ROCKEFELLER, Jr. I don't recall that he did; if he did it is nominal salary.

Chairman WALSH. I am talking to you as a director and person made responsible by law for the conduct of the corporation, and I ask you regardless



of what Mr. Bowers thought, if you did not consider that request for a mere interview a reasonable request, and one that should be granted?

Mr. ROCKEFELLER, Jr. It was not a matter that I passed on or undertook to form an opinion on.

Chairman WALSH. What do you say about it now?

Mr. ROCKEFELLER, Jr. I did not take it up.

Chairman WALSH. It may come up again, and you are a director here, and a reasonable request—

Mr. ROCKEFELLER, Jr. I would leave it to the officers of the company to decide.

Chairman WALSH. You are a director?

Mr. ROCKEFELLER, Jr. Yes, sir; and I would leave it to the officers of the company to decide.

Chairman WALSH. Even though it might cause bloodshed and loss of property and shooting down of men, would you still not exercise any of your influence as an officer of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. If I thought the officers were not doing what was wise and best and right to all parties connected with the corporation I would have undertaken to have differed with them or removed them, as far as I had the power to that extent.

Chairman WALSH. Leaving your general policy for the moment, I will ask you, as the owner or a representative of the owner of 40 per cent of the stock of that company, did you not consider the request of the officers of the miners' organization for a simple interview a reasonable one, and one that ought to have been granted?

Mr. ROCKEFELLER, Jr. Personally I would have been inclined to have granted it, if the request had come to me, but it was for the officers to decide. You ask me, as a man, what I would have done, and I say that I would probably have granted it.

Chairman WALSH. You would have granted an interview?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. Now, you having no objection to granting the interview, I will ask you this question: In refusing to grant this interview, did not the officers of the coal company assume full responsibility for all the events that followed that refusal?

Mr. ROCKEFELLER, Jr. I do not think so.

Chairman WALSH. Did you make any attempt to induce Mr. Bowers or any of the other officers to grant such an interview?

Mr. ROCKEFELLER, Jr. I did not.

Chairman WALSH. Since you acknowledge that the interview might have averted this strike, and you acknowledge that now—

Mr. ROCKEFELLER, Jr. I don't know that I made such statement.

Chairman WALSH. Now, I will say, since Mr. Bowers wrote in that letter that if they could secure even an interview, so as to go before the public boasting that they had secured the principal point, namely, recognition of the union, they would have sneaked out of it and no further effort would have been made to bring on the strike—in the light of that letter of Mr. Bowers, that an interview would probably have averted the strike—since you failed to take any action to bring about that interview, do you not yourself, with the majority stockholders of the corporation and directors of the Colorado Fuel & Iron Co., assume full moral responsibility for the events that followed?

Mr. ROCKEFELLER, Jr. I am not a majority stockholder, nor is the interest which I represent.

Chairman WALSH. Well, 40 per cent stockholder?

Mr. ROCKEFELLER, Jr. As far as the responsibility is concerned, I did not shirk that responsibility, but did what I thought was right under the circumstances.

Chairman WALSH. Then you do not think that the responsibility is yours, or any part of it, as a 40 per cent stockholder and member of the board of directors?

Mr. ROCKEFELLER, Jr. Responsibility for what?

Chairman WALSH. For all of the events that followed the refusal of the mere granting of an interview which would have averted the strike.

Mr. ROCKEFELLER, Jr. I think we have no proof that all the events which followed were the result of that.

Chairman WALSH. I am asking you that.

Mr. ROCKEFELLER, Jr. I assume responsibility for everything that, as a stockholder and as a director of the company, I should assume responsibility for.

Chairman WALSH. Is that one of the things you should assume responsibility for as a stockholder and director?

Mr. ROCKEFELLER, Jr. In so far as I have had any responsibility in regard to the stock I do not hesitate to assume it.

Chairman WALSH. As a director of the Colorado Fuel & Iron Co., do you say you have no responsibility whatsoever for the labor conditions in those camps?

Mr. ROCKEFELLER, Jr. A very great responsibility; and I undertook to discharge that in the way that I thought that was right and best.

Chairman WALSH. Now, when it was conveyed to you beforehand that a mere interview would avert a strike, why didn't you say to them, as a director and a stockholder, give them an interview and avert the strike?

Mr. ROCKEFELLER, Jr. That was simply a passing opinion that was expressed that it would have accomplished the result. I don't know that it would have.

Chairman WALSH. But you had this letter from Mr. Bowers before the strike was called.

Mr. ROCKEFELLER, Jr. Mr. Bowers expressed that as an opinion. He did not suggest that an interview be had; and he and Mr. Welborn were the officers in whose hands the directors had placed the active responsibility for the conduct of the business.

Chairman WALSH. Well, now, when you come to consider that that would affect probably 9,000 employees, and a great many more human beings, those employees, many of them, having wives and children, didn't you think that an important enough thing, as a member of the board of directors, to voice your opinion on it?

Mr. ROCKEFELLER, Jr. I evidently did not at the time, Mr. Chairman, or I should so have acted.

Chairman WALSH. Now, calling your attention again to the clause in the letter from Mr. Bowers to the effect that he and Mr. Welborn were discussing some questions because one or two competitive companies were cheating their miners by false weights. You stated that you did not know Mr.—I had better read that over again. In a letter of September 19, 1913, from Mr. Bowers to Mr. Murphy, Mr. Bowers writes:

"About a year ago Mr. Welborn and the writer were discussing these questions because one or two competitive companies, both of whom tried to interest Mr. Cooper in their bonds, were cheating their miners by false weights."

Do you know Mr. Cooper?

Mr. ROCKEFELLER, Jr. Now, that you read that again, I recall that Mr. Cooper was at that time a member of our office force.

Chairman WALSH. And which were the companies that were trying to interest Mr. Cooper in your bonds?

Mr. ROCKEFELLER, Jr. In their bonds.

Chairman WALSH. In their bonds?

Mr. ROCKEFELLER, Jr. I have no idea.

Chairman WALSH. Since the recess for luncheon have you asked Mr. Bowers, who wrote that letter, the names of the companies that were cheating their employees by false weights?

Mr. ROCKEFELLER, Jr. I have not.

Chairman WALSH. Did it interest you enough after the questions that were propounded to you this morning, with reference to these companies cheating their men, to make it the subject of inquiry of Mr. Bowers, who is here, as to who were those companies?

Mr. ROCKEFELLER, Jr. I do not regard myself responsible, Mr. Chairman, as to the operations of the many, many coal companies in Colorado with whom I have no connection whatever.

Chairman WALSH. I think you are a member of the association of coal operators, are you not, that was resisting the demands of the strikers?

Mr. ROCKEFELLER, Jr. There was an informal committee of the operators who acted together on certain matters of mutual interest during the strike.

Chairman WALSH. That was resisting the demands of the strikers?

Mr. ROCKEFELLER, Jr. They acted on certain things.

Chairman WALSH. Now, if one of the demands of the strikers, one of their grievances, was that they had been cheated by false weights, how can you claim, Mr. Rockefeller, that you had no responsibility, that you had no interest, if the Colorado Fuel & Iron Co. did not so treat its employees?

Mr. ROCKEFELLER, Jr. The Colorado Fuel & Iron Co. did not so treat its employees.



Chairman WALSH. But, I say, if you formed a combination with other mining companies that did seek to resist the grievances of those men with which you were at issue, so that they did not have checkweighmen, would you not, by the fact of joining those other miners—operators—become a party to it and assume responsibility to that extent?

Mr. ROCKEFELLER, Jr. Not at all.

Chairman WALSH. I will ask you if that statement as to the cheating of those companies was not conclusive evidence to you that the miners were justified in charging that the State law providing for checkweighmen was violated?

Mr. ROCKEFELLER, Jr. I said that Mr. Bowers said that certain companies were not obeying that law.

Chairman WALSH. If that is correct, do you not consider that the miners were justified in striking to secure their legal rights and to protect themselves from being cheated out of the results of their own labor?

Mr. ROCKEFELLER, Jr. My interest and responsibility were directed to the company in which we were interested, Mr. Chairman, and I ascertained that no such conditions existed there. And beyond that, I did not feel it my duty or responsibility to go.

Chairman WALSH. The coal companies of the State of Colorado were organized into an association for mutual protection, were they not?

Mr. ROCKEFELLER, Jr. I don't know whether it was called an association. As I stated, various of the companies did act together in certain matters.

Chairman WALSH. Do you consider that it would have been possible for the miners to have carried on a strike against any one or two members of that association without involving all the companies in the association?

Mr. ROCKEFELLER, Jr. Well, that Mr. Welborn or Mr. Bowers could answer much better than I.

Chairman WALSH. You can answer that.

Mr. ROCKEFELLER, Jr. I haven't the information.

Chairman WALSH. Do you not consider that since Mr. Bowers had knowledge of the violation of the law that he should have taken action to secure the prosecution of the violators, or at least have given information to the proper State officials, or to the miners, who were being cheated?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. You don't think he should? If he failed to do that, would you consider him, in a sense, accessory after the fact?

Mr. ROCKEFELLER, Jr. Not at all.

Chairman WALSH. If these companies were members of the coal operators' association, do you not consider that they should have been expelled from the association and legal action taken to secure the enforcement of the law?

Mr. ROCKEFELLER, Jr. Of course, Mr. Chairman, it would be very desirable if all the people with whom we are associated in life should be free from faults and failures. I think none of us are associated with people who are. We have to associate with just the best people that there are or that we are thrown with, and I think we can not assume responsibility for the actions of other people.

Chairman WALSH. Well, if you join with them to resist the demands of the men that are being robbed, then would you not feel morally responsible?

Mr. ROCKEFELLER, Jr. Joined with them to resist the demands—

Chairman WALSH (interrupting). Yes; if you joined with the companies that were cheating the men, to resist the demands of the miners who claimed they were being robbed; if you joined with them to resist the efforts of the men to get justice, to have checkweighmen to see that they were not cheated, then would you not feel that you were morally responsible in so joining to resist these efforts?

Mr. ROCKEFELLER, Jr. We were not undertaking to resist the demands of the men to get justice. We were trying to see that they did get justice in the future.

Chairman WALSH. Well, if they claimed that they were being cheated by reason of not having been permitted to have checkweighmen, and you knew that some of the companies were being cheated for want of checkweighmen to resist or to protect their rights, would you not feel responsible in joining in with those companies to resist the demands of the men who were being robbed for the want of checkweighmen?

Mr. ROCKEFELLER, Jr. I would feel morally responsible to do everything I could in the company with which I was connected to prevent such things. But if they were not doing that, I should not feel responsible. As I have stated, every effort has been made in the Colorado Fuel & Iron Co. to get the men in

the various camps to have their own checkweighmen. Everything has been done, as I stated in January, at a number of the camps to get them to do so, but less than half of them voted to have checkweighmen; and after they voted to have checkweighmen, I am informed that there is only one mine where the men have been willing to have a checkweighman. The company has done everything it could to get the men to have that official to appoint one.

Chairman WALSH. On September 29, 1913, Mr. Bowers wrote to you with reference to Mr. Stewart, who, I believe, is an official of the Federal Department of Labor, and who is attempting to bring about mediation in strikes. This is a letter from Mr. Bowers to you about Mr. Stewart:

"He was told that we would work such mines as we could protect and close the others, and that the writer, with every official of this company, would stand by this declaration until our bones were bleached as white as chalk in those Rocky Mountains."

Do you approve of that sentiment?

Mr. ROCKEFELLER, Jr. Will you kindly read it again, Mr. Chairman?

Chairman WALSH. "He was told that we would work such mines as we could protect and close the others, and that the writer, with every official of this company, would stand by this declaration until our bones were bleached as white as chalk in these Rocky Mountains."

Do you approve of that sentiment?

Mr. ROCKEFELLER, Jr. The declaration was that we would work such mines as we could protect and close the others. I think he was entirely justified in making that declaration.

Chairman WALSH. Then you do approve of that statement?

Mr. ROCKEFELLER, Jr. I certainly would not expect them to work mines that we could not protect or to keep open mines that we could not protect.

Chairman WALSH. Would you have allowed the bones of a loyal official, such as Mr. Bowers is, to bleach rather than to submit to the formality of an interview with three labor leaders?

Mr. ROCKEFELLER, Jr. I think that is a question—

Chairman WALSH (interrupting). Mr. Bowers remarks that he thinks that would have ended it.

Mr. ROCKEFELLER, Jr. Well.

Chairman WALSH. I will ask you the question again: Would you have allowed the bones of a loyal official, such as Mr. Bowers is, to bleach in the mountains of Colorado rather than to submit to the formality of an interview with three labor leaders?

Mr. ROCKEFELLER, Jr. I stated, Mr. Chairman, that for myself, if the matter had been for me to decide, I probably would have had the interview.

Chairman WALSH. And not have allowed the bones to bleach.

Mr. ROCKEFELLER, Jr. I would not, if I had had it to do, whether the bones bleached or not.

Chairman WALSH. Bleached or unbleached?

Mr. ROCKEFELLER, Jr. Bleached or unbleached; yes.

Chairman WALSH. On September 29, 1915, Mr. Bowers wrote to Mr. Rockefeller—I want to call your attention to one matter to which you referred in your written statement. It is:

"Several of our mines are working from one-half to two-thirds capacity, and if we could continue undisturbed we could keep our steel works running and supply our railroad friends with coal to keep them going in good shape until the strike it over."

Who is "the railroad friends"?

Mr. ROCKEFELLER, Jr. I presume any company with whom the company does business.

Chairman WALSH. Who were your railroad friends in Colorado at that time?

Mr. ROCKEFELLER, Jr. I don't know.

Chairman WALSH. Was your father a large stockholder or bondholder in the Southern Pacific Railroad at that time?

Mr. ROCKEFELLER, Jr. I don't know.

Chairman WALSH. Did that refer, the "railroad friends" refer, to those railroads in which your father was a part owner or a bondholder?

Mr. ROCKEFELLER, Jr. I think it referred solely to the railroads with which the Colorado Fuel & Iron Co. was doing business, and to no other.



Chairman WALSH. Then did you understand that Mr. Bowers expected to supply all the railroads with coal, or only those railroads in which you or your father were interested and who might therefore be classed as "friends"?

Mr. ROCKEFELLER, Jr. The question of whether my father or I was interested in the railroads or not had nothing whatever to do, I assume, with determining in Mr. Bowers's mind what railroads were to be called "railroad friends," but rather the railroads that were customers of the Colorado Fuel & Iron Co.

Chairman WALSH. Did you own stock in the Southern Pacific Railroad at that time?

Mr. ROCKEFELLER, Jr. I don't know, sir.

Chairman WALSH. Did you own bonds in the Southern Pacific Railroad at that time?

Mr. ROCKEFELLER, Jr. I don't know.

Chairman WALSH. Don't you know, Mr. Rockefeller, that you did?

Mr. ROCKEFELLER, Jr. No; I don't, Mr. Chairman, or I should have stated it.

Chairman WALSH. In the list of securities furnished to this commission in New York, of securities which went to make up the \$100,000,000 of the Rockefeller Foundation, were not stocks and bonds of the Southern Pacific mentioned?

Mr. ROCKEFELLER, Jr. That list numbers a hundred or more, and I could not recall all of the investments. My impression is that there may be bonds or stocks in that list.

Chairman WALSH. Did you consider it was equally or more important to supply the general public with coal during that winter than it was your "railroad friends"?

Mr. ROCKEFELLER, Jr. That was a matter that I was not considering. It was a matter that the officers of the company were considering.

Chairman WALSH. On October 6 you wrote to Mr. Bowers as follows:

"We feel that what you have done is right and fair, and that the position which you have taken in regard to the unionizing of the mines is in the interest of the employees of the company. Whatever the outcome may be, we will stand by you to the end."

Did you not assume full personal responsibility, or your share of it, for all the events which followed, in notifying Mr. Bowers that whatever the outcome might be you would stand by him to the end?

Mr. ROCKEFELLER, Jr. The position therein referred to, Mr. Chairman, which had been taken by the company, as I stated clearly and fully in my testimony in New York, was not one of antagonism to organized labor. The position was one of a desire to protect the employees of the company who desired to work for the company, whether they were members of the union or not members of the union. The question of unionism did not come up in that statement of position which I stated I fully approved.

Chairman WALSH. On October 10 Mr. Rockefeller wrote to Mr. Bowers as follows:

"I realize that these are trying days for the management of the fuel company. Its actions are watched with great interest by this office, and its strong and just position will not lack backing at this end."

What steps did you take to ascertain the actions of the fuel company other than reading letters from Mr. Bowers and Mr. Welborn?

Mr. ROCKEFELLER, Jr. That was my source of information.

Chairman WALSH. Was that your sole source of information?

Mr. ROCKEFELLER, Jr. It was.

Chairman WALSH. Did they at that time, or at any time, inform you of the conditions testified to by Dr. Gaddis and Mr. McCorkle?

Mr. ROCKEFELLER, Jr. They did not.

Chairman WALSH. In failing to do this, did they not, in effect, deceive you by omitting to tell you essential facts—if Mr. Gaddis tells the truth?

Mr. ROCKEFELLER, Jr. Mr. Chairman, the statements which I heard made by the witness yesterday were largely hearsay and personal opinion. Of course, you can understand that, as a director of the company, I am at very much of a disadvantage in undertaking to reply to any statements made 2,000 miles from the point of the occurrences alleged to have taken place; and it would have seemed to me that when the hearing was being held in Denver, where the officers of the company were and where the company's side could have been set forth in reply to such statements as were made yesterday by witnesses, that would have been the place to take up such an inquiry.

Chairman WALSH. You do not claim that Mr. Gaddis's statements were hearsay, do you?

Mr. ROCKEFELLER, Jr. I did not hear them.

Chairman WALSH. Haven't you read Mr. Gaddis's statements?

Mr. ROCKEFELLER, Jr. I have not.

Chairman WALSH. Why didn't you read them? He states some very startling things, if they be facts, about the condition of your camps at the present time; and you say, as a director, you have full responsibility for the labor conditions in your camps. Why don't you read what Mr. Gaddis testified to here?

Mr. ROCKEFELLER, Jr. I stated yesterday, Mr. Chairman, that I have copies of the testimony and am proposing to read them when I find opportunity.

Chairman WALSH. He was your representative, was he not, there?

Mr. ROCKEFELLER, Jr. I understand he was in the employ of the company at one time, there.

Chairman WALSH. And you saw the letter of Mr. Welborn recommending him as a Christian gentleman, reliable in every way?

Mr. ROCKEFELLER, Jr. I did not.

Chairman WALSH. Do you know that such a letter is in existence?

Mr. ROCKEFELLER, Jr. It seems to me that I have heard that such a letter was written.

Chairman WALSH. Where did you get that information?

Mr. ROCKEFELLER, Jr. I don't know. I have heard it mentioned in the last two or three days, that such a letter had been written.

Chairman WALSH. Now, Mr. Welborn says that "Mr. Gaddis entered the employ of the company as a minister, conducting church services in the coal camps of southern Colorado. Some time later, after the old superintendent of the sociological department had resigned, the work of that department was in part placed under the direction of Mr. Gaddis. He was an earnest, faithful worker, and undoubtedly a Christian gentleman. He is, however, strongly sectarian, and for that reason we felt handicapped in securing the best results at the coal camps, made up of many nationalities and sects."

Now, Mr. Gaddis says that the sanitary conditions are in such shape in some of your camps that people get the typhoid fever, and said that they allow cesspools to overflow, and pointed out one particular instance. Do you not believe that your company, owning all the land and controlling the whole camp, it being a closed mining camp, is responsible for its sanitary conditions?

Mr. ROCKEFELLER, Jr. I think that the company and any company should do everything that it can to make the conditions of living as comfortable and sanitary as possible.

Chairman WALSH. And if it fails to perform that duty and allows cesspools to overflow, which causes typhoid fever and death, would you not say that that is a very insidious and brutal form of violence exercised by the company as against the people who live in the camps?

Mr. ROCKEFELLER, Jr. I should say that sort of thing should not be allowed in any place where it could be prevented.

Chairman WALSH. Wouldn't you say that it was an insidious and brutal form of violence if it was allowed?

Mr. ROCKEFELLER, Jr. I would not describe it in that way.

Chairman WALSH. Even if the people sickened on account of the lack to perform this duty and died, would you not say that was violence against them?

Mr. ROCKEFELLER, Jr. I certainly would not.

Chairman WALSH. Now, why not, if they sickened and died, due solely to the failure to perform that duty?

Mr. ROCKEFELLER, Jr. You have asked me if I would characterize it in certain language that you used, and I said I would not.

Chairman WALSH. Would it be brutal violence to those that sickened and died?

Mr. ROCKEFELLER, Jr. I would regard it as very unfortunate and a thing that ought to be corrected, and if such a thing exists, I would do all that I could to see that it is remedied, and I have every reason to believe that the officers of the company have done and are taking every step they can to remedy things of that kind.

Chairman WALSH. You are a director with full responsibility?

Mr. ROCKEFELLER, Jr. I am.



Chairman WALSH. When would you take this action to see that that condition was remedied or done away with and that sickness and death were stopped?

Mr. ROCKEFELLER, Jr. I stated that I thought the officers of the company were doing everything they could do to do away with any such conditions, if they exist.

Chairman WALSH. You would leave that entirely with the officers of the company?

Mr. ROCKEFELLER, Jr. I certainly would.

Chairman WALSH. Did you ever hear of any officer of the company not discharging his duty, before this time?

Mr. ROCKEFELLER, Jr. I have heard of many officers in many companies not discharging their duties.

Chairman WALSH. I will ask you if you do not know it is a fact that Dr. Gaddis called the attention of Dr. Corwin, who has been with your company for 26 years, to the condition existing in these camps?

Mr. ROCKEFELLER, Jr. I do not know that.

Chairman WALSH. If he did, will you take whatever steps are necessary to ascertain whether or not that is a fact, what Dr. Gaddis has detailed here, and if Dr. Corwin told him not to say anything about it for fear he might step on somebody's toes, will you see that Dr. Corwin is removed as a surgeon of your company, and anybody else that is responsible for it, for the death and sickness which are caused in that way?

Mr. ROCKEFELLER, Jr. I will take whatever steps seem to me to be right and proper to see that the living conditions in the camps are made as near right as possible.

Chairman WALSH. Some of these people he claims are really dead and gone.

Mr. ROCKEFELLER, Jr. That is what you say he claims.

Chairman WALSH. If that turns out to be true, will you not take steps to either prosecute those people—those officers of your company—or at least remove them from office?

Mr. ROCKEFELLER, Jr. I will take what steps seem to me to be right and proper to correct the condition.

Chairman WALSH. But you would not go so far as to say that if that is the truth, and if they were caused to sicken and die by failure of duty on the part of the officers of your company, you would not go so far as to say you would prosecute them or discharge the officers?

Mr. ROCKEFELLER, Jr. I have stated my position—I would take whatever steps I thought were necessary and proper to remedy them.

Chairman WALSH. Would those steps be to prosecute or discharge those officials?

Mr. ROCKEFELLER, Jr. That I cannot determine now.

Chairman WALSH. If you found them guilty of such things would you have them prosecuted or discharged?

Mr. ROCKEFELLER, Jr. I do not care to answer that in advance of full facts.

Chairman WALSH. Now, Mr. Gaddis said that the foremen and officials that you have over these men treated them like brutes; that they blasphemed and cursed them when they gave orders, and acted toward them with great brutality?

Mr. ROCKEFELLER, Jr. I do not know. If it is correct, I know that Mr. Bowers, when he was an officer would have, and Mr. Welborn will do whatever is necessary to prevent that sort of thing, they would be utterly opposed to it, as they know we would be.

Chairman WALSH. When would they do it?

Mr. ROCKEFELLER, Jr. As soon as they learned of it.

Chairman WALSH. How long was Mr. Gaddis with the company?

Mr. ROCKEFELLER, Jr. I don't know.

Chairman WALSH. I believe he was there, he stated about 22 months. How often has Mr. Welborn gone into the actual places where these men work in southern Colorado?

Mr. ROCKEFELLER, Jr. He would have to testify as to that himself.

Chairman WALSH. Do you know how often?

Mr. ROCKEFELLER, Jr. I do not; except in a recent letter he told me he had been twice, in the last month, through all of the local mining camps, and talked with the men and superintendents and local people.

Chairman WALSH. Twice in the last month?

Mr. ROCKEFELLER, Jr. That is what he stated in a recent letter.

Chairman WALSH. And prior to that time do you know how often he had been to the actual working places, where the men do the work?

Mr. ROCKEFELLER, Jr. I do not.

Chairman WALSH. Do you think it is proper for a company organized for the purpose of profit, alone, like the Colorado Fuel & Iron Co., to assume the power and responsibility of removing clergymen from these churches in these closed camps?

Mr. ROCKEFELLER, Jr. I think that clergymen should always be put in a position and removed from them by those that attend their church.

Chairman WALSH. And what do you think of the letter which was introduced in the New York hearing from—or in the Colorado hearing, and referred to in the New York hearing, from Colorado, from Mr. Welborn, the president, who said: "We have thought for some time of removing the minister at Sunrise."

Mr. ROCKEFELLER, Jr. What do you mean, what do I think?

Chairman WALSH. You do not consider that Mr. Welborn was the congregation, he was the president of the coal company?

Mr. ROCKEFELLER, Jr. I stated that I thought it was always desirable for those who attended the church to select the pastor and remove him.

Chairman WALSH. Now, is it true that Mr. Welborn undertook to exercise that control over the church at Sunrise?

Mr. ROCKEFELLER, Jr. He would have to testify to that, I don't know.

Chairman WALSH. I believe I asked you that same question in New York as to whether or not the president of the coal company had undertaken to remove that minister at Sunrise?

Mr. ROCKEFELLER, Jr. That I do not recall.

Chairman WALSH. Do you not recall that four months ago I asked you that question and you said you didn't know?

Mr. ROCKEFELLER, Jr. No; I do not recall, Mr. Chairman.

Chairman WALSH. Have you made any effort since the New York hearing to ascertain whether the president of the Colorado Fuel & Iron Co. was exercising any such control over the churches?

Mr. ROCKEFELLER, Jr. Over the churches?

Chairman WALSH. Yes, sir.

Mr. ROCKEFELLER, Jr. Yes, sir; I have discussed the matter with him, and he has not undertaken to exercise control; he has undertaken to have the churches conducted by those that work in the churches, as far as they are willing to do it, and will do it. Where instances arise, as have arisen in some camps, where the people will not support a minister, and the only way to have church service in the community is for the company to select and support a minister; that has been done. While it is not ideal, it is a question between having church services in the community and not having them, and unless it can be done in that way I would regard it as better than having none.

Chairman WALSH. Did you call Mr. Welborn's attention to the letter which he wrote to Mr. Murphy, and in which he stated, "We have thought of changing the minister at Sunrise"?

Mr. ROCKEFELLER, Jr. I don't know that I did.

Chairman WALSH. Do you recall that your attention was called to this in New York?

Mr. ROCKEFELLER, Jr. I remember the subject was up for discussion.

Chairman WALSH. On October 11, 1913, you received a letter from Mr. Bowers stating:

"When cheap college professors and still cheaper writers in muckraking magazines, supplemented by a lot of milk-and-water preachers with little or no religion and less common sense, are permitted to assault the business men who have built up the great industries and have done more to make this country what it is than all other agencies combined, it is time that vigorous measures are taken to put a stop to these vicious teachings which are being sown broadcast throughout the country."

Is that your sentiment?

Mr. ROCKEFELLER, Jr. It was Mr. Bowers's sentiment.

Chairman WALSH. Is it yours also?

Mr. ROCKEFELLER, Jr. The letter was written to me. I have not been called upon to form or express a view as to whether I agree with him or not.

Chairman WALSH. Do you consider yourself one of the business men that Mr. Bowers had in mind when he made this statement?

Mr. ROCKEFELLER, Jr. I am not sure; I don't know. You will have the opportunity to ask him.



Chairman WALSH. I am asking for your understanding of the letter. Will you please explain what you have done personally to build up any industry in the United States?

Mr. ROCKEFELLER, Jr. What have I done personally?

Chairman WALSH. Yes.

Mr. ROCKEFELLER, Jr. I have done what any other director in a company like the Colorado Fuel & Iron Co. would naturally do, to discharge his duties as a director.

Chairman WALSH. How many board of directors meetings of the Colorado Fuel & Iron Co. have you attended in the last several years?

Mr. ROCKEFELLER, Jr. I think that was inquired into in New York, and I think I stated that for a number of years the directors' meeting had been held in Denver, I think, for the last 8 or 10 years; and I have attended no directors' meetings in Denver since I was there, 10 or 11 years ago. The meeting of the directors was held at one time in New York, when the finances of the Colorado Fuel & Iron Co. were being reorganized, and a number of directors' meetings were held for a year or two at that time. Since that time the directors' meetings have been held in Denver. I attended them in New York, but did not attend them in Denver.

Chairman WALSH. And that is a description of what you have done to build up the industry, the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. I have had correspondence and been in conference with officers of the Colorado Fuel & Iron Co. from time to time as opportunity has permitted, discussing with them such matters in connection with the company as I felt it was my duty and responsibility to discuss.

Chairman WALSH. Do you believe in the right of free speech?

Mr. ROCKEFELLER, Jr. I do.

Chairman WALSH. What kind of vigorous measures do you consider would probably be applied to stop the vicious teachings strewn broadcast through the country by cheap college professors and still cheaper writers in muckraking magazines, supplemented by a lot of milk-and-water preachers of little or no religion and less common sense, which is referred to by Mr. Bowers?

Mr. ROCKEFELLER, Jr. I have given no thought to that subject, Mr. Chairman. This was rather a picturesque description in Mr. Bowers's letter that I have not taken the time to formulate a reply to.

Chairman WALSH. Is it a business letter?

Mr. ROCKEFELLER, Jr. You can judge as well as I.

Chairman WALSH. What do you say about it; is it a business letter, one that you received in your capacity as a director and in an effort to build up the interests of the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. If you will read the whole letter, I can tell.

Chairman WALSH. It has been testified before this commission that the Colorado Fuel & Iron Co. has in the past, and does still, use the most vigorous measures to suppress any criticism of the company in the towns which they control.

Mr. ROCKEFELLER, Jr. May I ask what you are reading from?

Chairman WALSH. From a memoranda which I made myself, so that I would not forget to ask you that question.

Mr. ROCKEFELLER, Jr. I thought you were reading from a letter. May I ask you to reread it? I thought you were reading from a letter.

Chairman WALSH. Yes. It has been testified before this commission that the Colorado Fuel & Iron Co. has in the past, and still does, use the most vigorous measures to suppress any criticism of the company in the towns which they control. Is that correct?

Mr. ROCKEFELLER, Jr. I do not know.

Chairman WALSH. Do they undertake through their mine superintendents or the proprietors of the saloon in the closed mining camps to directly attack the character of the publications that are given to the men?

Mr. ROCKEFELLER, Jr. Not that I know of.

Chairman WALSH. Who did you understand Mr. Bowers meant by the cheap college professor?

Mr. ROCKEFELLER, Jr. I am not sure; I have no idea who he had in mind.

Chairman WALSH. Did he mean the professors in the small colleges?

Mr. ROCKEFELLER, Jr. That I can not say, Mr. Chairman.

Chairman WALSH. Your attention has been called to explosions in your mines, in Colorado, followed by the deaths of the persons working in the mines, from time to time, has it not?

Mr. ROCKEFELLER, Jr. I had known that accidents have occurred in mines.

Chairman WALSH. What is that?

Mr. ROCKEFELLER, Jr. I have known that explosions have occurred; I do not know that attention was called to it at the time.

Chairman WALSH. While I am on the subject of the cheap college professor, I will leave that and come back to the question of preventable accidents later.

While on the subject of the cheap college professors is it not a fact that in your publicity bulletin entitled "Facts Concerning the Struggle in Colorado for Industrial Freedom," sent out by Ivy Lee, you quote a public letter to the Secretary of Labor sent out and signed by a number of persons, including Dean Hart, of St. Johns Cathedral in Denver; H. A. Howe, dean of the College of Liberal Arts, University of Denver; and William F. Slocum, president of the Colorado College?

Mr. ROCKEFELLER, Jr. I do not recall that there was any such quotation from such a statement.

Chairman WALSH. Bulletin No. 7. Have you forgotten these bulletins?

Mr. ROCKEFELLER, Jr. I have forgotten the detail of them, Mr. Chairman.

Chairman WALSH. "Bulletin No. 7, July 22, 1914: The Bishop of Colorado, the president of Colorado College, and other leaders of Colorado life, have addressed an open letter to Secretary of Labor Wilson urging him to use his influence with the labor leaders to have the Colorado coal strike called off.

"The grounds on which these gentlemen made this plea are—

"That so small was the number of miners belonging to the union that there never was any general strike.

"That there have been so many acts of unprovoked violence for which the leaders of the strike have not attempted to disclaim responsibility.

"That those in charge of the strike have displayed bad faith.

"That the leaders of the strike have practically assumed an attitude of rebellion toward the State of Colorado, having openly called men to arms.

"That the strike is lost, and it being a losing cause it is not fair to union men in other parts of the country that they should be paying out their hard earned money to support in 'ridiculous idleness' the little camps of the union men who are still maintaining the nominal strike."

The open letter concludes: "Let the agitators from other States be withdrawn, as the mine guards have been sent away, and much greater credit will be done to the union than is possible by continued agitation."

This is signed by H. Martin Hart, dean of St. Johns Cathedral; H. A. Howe, dean of the College of Liberal Arts, University of Denver; William F. Slocum, president of Colorado College; Robert M. Donaldson, acting president Westminster College.

I will ask you if, after the sending out of that appeal, and after its publication in your bulletin, you did not contribute from the funds of the Rockefeller Foundation, or the funds of the General Education Board, \$100,000 to the Denver University, and \$100,000 to the Colorado College, the president of each of which signed that appeal thereof?

Mr. ROCKEFELLER, Jr. I do not know whether such contributions were made or not, but I do know this, that if they were made, they had absolutely no connection with the authorship of that statement referred to in the bulletin.

Chairman WALSH. Sir?

Mr. ROCKEFELLER, Jr. I say, I do not know whether such contributions were made or not made, but I do know that if they were made, they had no connection whatever, absolutely none, with the statements made by these gentlemen.

Chairman WALSH. Do you think that the president of a college that received \$100,000 from your hands would feel kindly toward your view of an industrial situation in which you were deeply involved?

Mr. ROCKEFELLER, Jr. I think the most severe critics which my father has ever had were those from the university to which he contributed the largest amount of money, the University of Chicago.

Chairman WALSH. Do I understand, then, that you do not believe that college professors, to whom large amounts of money—to whose institutions large amounts of the money have been given as contributions—take a kindly view toward your attitude in industrial matters?

Mr. ROCKEFELLER, Jr. I do not think it affects their view as regards our attitude.

Chairman WALSH. What happened to the men in the Chicago College that criticized your father, if you remember?

Mr. ROCKEFELLER, Jr. I do not recall.



Chairman WALSH. What?

Mr. ROCKEFELLER, Jr. I do not recall.

Chairman WALSH. You do not recall?

Mr. ROCKEFELLER, Jr. No. It was not a matter of any interest to us.

Chairman WALSH. Are they still there?

Mr. ROCKEFELLER, Jr. I do not know.

Chairman WALSH. Do you know whether they are still there?

Mr. ROCKEFELLER, Jr. I do not know.

Chairman WALSH. Mr. Commissioner Weinstock asks me to ask you this question: Was the donation made to the colleges referred to before or after the publication of this appeal that appeared in your bulletin?

Mr. ROCKEFELLER, Jr. I do not know, Mr. Weinstock, because I do not know that such a donation was made.

Chairman WALSH. Was Prof. Charles Zublin one of the men connected with the Chicago University that reflected upon your father?

Mr. ROCKEFELLER, Jr. I do not recall.

Chairman WALSH. Was he not one of the men that reflected on your father, and was he not fired out of the college?

Mr. ROCKEFELLER, Jr. I do not recall either.

Chairman WALSH. Do you recall the names of the men connected with any institution of learning that received large contributions from the Rockefeller benefactions that were retained in the college?

Mr. ROCKEFELLER, Jr. Will you please read that question?

THE REPORTER (reading):

"Do you recall the names of the men connected with any institution of learning that received large contributions from the Rockefeller benefactions that were retained in the college?"

Chairman WALSH. Maybe I have not made myself plain. Can you recall the names of any professors in any educational institution that have received benefactions from your father who attacked your father's methods and who were retained in the colleges with which they were connected?

Mr. ROCKEFELLER, Jr. I recall that you read at considerable length at the hearings in New York statements made by President Schurman, of Cornell University, expressing views in regard to the Rockefeller Foundation and its charter, very divergent from those expressed by the founder and his associates. How many contributions have been made by my father individually, or by any of the funds which he has established, to that institution, I do not know; but I know that several contributions were made directly by my father some years ago.

Chairman WALSH. To Cornell University?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. In what amounts?

Mr. ROCKEFELLER, Jr. That I can not recall, but I remember in the early days when I was in the office myself having to do with a contribution made to Cornell for the erection, I think, of a building of mechanical engineering, or something of that sort.

Chairman WALSH. So that your father did contribute to your own knowledge to Cornell University?

Mr. ROCKEFELLER, Jr. I was instrumental in arranging the gift.

Chairman WALSH. While we are on that subject, I will ask you this question: Do you know there was distributed to the members of the classes in Cornell University copies of a pamphlet containing an address entitled "Real Issue of the War in Colorado; A Sermon to Young Men," by Rev. Newell Dwight Hillis?

Mr. ROCKEFELLER, Jr. No, I do not; I don't know that.

Chairman WALSH. I will read a letter to you, Mr. Rockefeller, written by the dean of the law school of the Colorado University, Mr. James H. Brewster, addressed to the Rev. Dr. Newell Dwight Hillis, as follows:

Boulder, Colo.,

838 Fourteenth Street, January 23, 1915.

Rev. Dr. NEWELL DWIGHT HILLIS,

23 Monroe Place, Brooklyn, N. Y.

MY DEAR SIR: There were distributed within a fortnight to the members of a class in engineering economics at Cornell University copies of a pamphlet containing an address entitled "The Real Issue of the War in Colorado; A Sermon to Young Men." My son, a member of that class, has sent me one of these pamphlets.

An introductory note states that the sermon is by you, "one of the most profound thinkers and teachers in America," and that you have "evidently given the conditions in Colorado a great deal of study after careful investigation." A note at the end of the pamphlet announces that "there is no subject of vital importance to the patriotic American citizen on which there has been forced such an amount of misinformation as on the subject of which this address treats," and that it is "therefore desired to give this pamphlet the widest circulation possible, especially among those who think for themselves and in any sense have a share in the molding of public opinion."

As the father of one of the young men to whom this "sermon" is thus especially addressed I am impelled to ask you a few questions, expecting that you will, in the interests of truth and justice, answer them.

In connection with these questions I shall direct your attention to manifest errors in statements of facts in your sermon, suppressions of truth, and to unwarranted conclusions.

I pass by such untrue statements as that there are "16 mines with 14,000 workmen," and that "silly people" "start a funeral procession in front of the house of a man who owns only a fraction of the property and 1 of 16 mines," and that the legislature passed a law ordering "payment for the removal of dead stone," with the remark that these assertions but serve to demonstrate your ignorance of some of the most readily ascertainable facts concerning the situation which it is claimed you have investigated.

You do not even set forth the demands of the men correctly, but you do say that to their demands "the operators answered that they were perfectly willing to recognize the union and treat with the members of the union collectively through their officers." Upon what "investigation" do you base this assertion? It is not only absolutely untrue, but the contrary fact has been made a matter of proud boast by the operators and all their defenders except yourself.

You say "the leader of the strikers was a Greek"; and, again, "A young Greek, knowing little about the Republic and having no stake in the country, and under the influence of the war in the Balkans, organizes his followers, fomenting hate, and precipitates a war that costs the State \$5,000 a day and \$1,000,000 in seven months, while the miners pay \$12,000 a year in taxes"; and then you say, "Alas, for men who follow a leader who points them not to God's pillar of cloud by day and of fire by night, but waves a firebrand before them with which to burn up all ships, all factories, all legislative halls, and the Constitution of the fathers."

Can you name this "young Greek," this terrible leader? There is no such man, nor was there ever such. Are you not aware that, so far as the "Republic" and the "Constitution" are concerned, it has been incontrovertibly shown that constitutional government was first destroyed by the coal-mining companies in certain counties of Colorado? A merely cursory examination of the testimony given last February before the congressional investigating committee, as well as that given before the United States Commission on Industrial Relations, would have made this clear to you. Or the admission of the governor of the State to the Rev. Mr. Atkinson, secretary of the "social-service commission of the Congregational Church," ought to have convinced you of this. That admission was as follows:

"But, Governor," I remonstrated, 'I hope that you will not think I am criticizing; but have you no constitutional law and government in Colorado?' 'Not a bit in those counties where the coal mines are located,' he replied. 'This is a pretty serious statement; let me get it straight,' I said. 'Do you mean to say that in large sections of your State there is no constitutional liberty?' 'Absolutely none,' he replied." (Harper's Weekly, May 23, 1914, p. 11.)

As you "call the roll of the causes and conditions that have made possible this terrible conflict" you begin by noting that "nine-tenths of these miners can not read our newspapers nor speak our language nor understand our institutions," and then you state that these ignorant foreign miners "transferred their bitterness and hatred of rulers to the American Government." In view of the absolute fact that the principles underlying American Government had been ignored by the mining companies in many of the mining towns, so far as the miners' rights were concerned, what have you to say?

Did you learn in your "investigations" that miners and their friends were arrested and detained in prison by representatives of the State without charges made against them in accordance with the fundamental law of our "institutions"? Did you learn that when they sought the protection of the great writ of habeas corpus the reply made in open court to their request that they might



know why they were thus arrested and imprisoned—the reply made by the representatives of the “government”—was that “It is a matter of supreme indifference (to these representatives) whether men arrested and held are guilty or innocent of crime”? Do you know of any European tyranny worse than this?

You speak of wicked, grafting labor leaders whom you have known and others of whom you have heard, and then you say, “Not otherwise has it been in Colorado.” And you describe the Colorado strike leaders as follows: “Some of them are ignorant, some of whom are misguided, some of whom are vicious, and some of whom are traitors to their followers and to their country.”

In your “investigations” did you not also find some who were not possessed of the characteristics you set forth? If so, why did you not mention that fact, instead of leaving the impression with the young men to whom your sermon is addressed that all were “ignorant,” “misguided,” “vicious,” “traitors”? Everyone else who has investigated the matter has found many leaders of a different type from those you describe.

The only labor union you mention by name is the Western Federation of Miners, and one who should rely upon your sermon for his facts would almost necessarily infer that this recent strike in Colorado was managed by this union, which you refer to solely for the purpose of telling how some of its members “sowed murder and death at Cripple Creek in the old days.” Why do you not mention the atrocious lawlessness of those days on the part of the employers and their hirelings? It was all made a matter of official public record 10 years ago. The guardians of law and order and the “respectable people” then set a fine example for the workmen to follow!

And then, because the international office of the United Mine Workers of America is in Indianapolis, you refer to the fact that “from Indianapolis went forth the men and the dynamite that blew up 100 great bridges in this country, with many buildings like the Los Angeles Times building”; and then you say that 10 of “these labor leaders in Indianapolis started to the penitentiary, wearing fetters,” adding that some are out on bail, and that “politicians must be very gentle with criminals in the spring, when these criminals are going to vote in the autumn.” Then immediately you assert, “For eight years these strikers in Colorado have breathed this atmosphere of violence and crime.” Is this the method of reasoning you, a “profound thinker and teacher,” would direct young men to follow? Would you have them conclude by such a process of thought that because a Baptist minister murders a young woman whom he has ruined all Baptist ministers are of the same character, or that because some bankers have gone from a certain city to the penitentiary all men of a similar occupation in that city are at heart felons?

As you truly say, “it begins to look as if many of our people had lost the power to do any fundamental thinking.”

In calling “the roll of causes and conditions that have made possible this terrible conflict” why did you not do some “fundamental thinking” on the real underlying causes that led to this conflict, such as (to name but a few) the admitted disregard of State laws by the operators, the short weights, the employment of imported mine guards as peace officers and as members of the State militia, the encouragement of saloons by the mining companies in their closed feudalistic towns?

Of all the papers that have been published on the “subject of which this address treats,” there hardly can be found another that contains “such an amount of misinformation” as you have crowded into this sermon. I have not enumerated nearly all your untrue statements.

You say, in conclusion, that “The increase of brotherly love and the development of social sympathy may change the atmosphere of arctic hate to good will.”

Was this sermon composed in the spirit of brotherly love? Have you developed social sympathy?

You say that the press, the pulpit, and the schoolhouse “must unite to teach our people the two or three fundamental simplicities about the way to produce wealth.” Some, indeed, of those you suggest as teachers have learned these simplicities. It was shown at the Denver hearings before the United States Commission on Industrial Relations that one of the most widely known editors in this country had sold himself to one of the coal-operating companies; it appears, further, that two well-known educational institutions, some of whose officials last summer joined in a public false statement concerning the strike, have just received each \$100,000 from the “General (Rockefeller) Education Board.”

These instances illustrate how the press and the school qualify themselves to teach "fundamental simplicities about the way to produce wealth." Now, how about the pulpit? Two important questions remain: Do you propose to prepare, now that you have had an opportunity to think the matter over, another sermon in which you will correct the errors of this one? And will you see that this later sermon is distributed to the young men to whom have been distributed copies of your former sermon?

I expect a prompt answer to these questions.

In addition to the sources of information to which I have hereinbefore referred, I would direct your attention to the files of the Survey for the past year, to the Rev. Mr. Atkinson's papers in The Congregationalist, and in Harper's Weekly, and to his recent official report.

Very truly, yours,

JAMES H. BREWSTER.

Chairman WALSH. Now, the article to which he referred was signed by the Rev. Dwight Hillis, was it not, entitled "A straight sermon to young men," a remarkable statement showing the real issue of the war in Colorado. You were familiar with that statement, were you not?

Mr. ROCKEFELLER, Jr. With what statement?

Chairman WALSH. The statement of Rev. Dwight Hillis that was sent out and referred to by Dr. James H. Brewster, the dean of the law department of the University of Colorado, in that letter?

Mr. ROCKEFELLER, Jr. I never heard of the distribution of that sermon.

Chairman WALSH. I ask you if you had not heard of the sermon.

Mr. ROCKEFELLER, Jr. If that is the sermon that Dr. Hillis preached in the early days of the strike, I have seen it.

Chairman WALSH. Very good. Do you say that you did not know anything about the distribution of the sermon in the universities of this country and in other countries?

Mr. ROCKEFELLER, Jr. I never heard of it until you just mentioned it.

Chairman WALSH. I will ask you to look at the pamphlet which I now hand you, A Straight Sermon to Young Men. A Remarkable Statement Showing the Real Issue of the War in Colorado, and ask you if you have ever seen a similar pamphlet to that to this day?

Mr. ROCKEFELLER, Jr. Not that I recall.

Chairman WALSH. Now, I want to ask you some questions in regard to this. This begins with the foreword of this kind:

"NOTE.—The following address by Rev. Dr. Newell Dwight Hillis is one that should be carefully read, and read by every good citizen in the United States. Dr. Hillis is recognized as one of the greatest pulpit orators in America. He now occupies the pulpit made famous by Henry Ward Beecher and, later, from which Dr. Lyman Abbott gained international fame. Dr. Hillis is regarded as one of the most profound thinkers and teachers in America. Coming from a man of that caliber, and one who has evidently given the conditions in Colorado a great deal of study, after careful investigation, the marked contrast between this sermon and the unreliable, sensational, hysterical matter which has been and is being printed in the Eastern press is refreshing."

And on the last page of that pamphlet I find this quotation:

"There is no subject of vital importance to the patriotic American citizen on which there has been forced such an amount of misinformation as on the subject on which this address treats. It is therefore desired to give this pamphlet the widest circulation possible, especially among those who think for themselves, and in any sense have a share in the molding of public opinion. Additional copies of this address can be obtained gratis by sending requests to 2230 Dime Bank Building, Detroit, Mich."

Now, do you know who is sending them out gratis from 2230 Dime Bank Building, Detroit, Mich.?

Mr. ROCKEFELLER, Jr. I never heard before of its being distributed.

Chairman WALSH. Whose office is 2230 Dime Bank Building, Detroit, Mich.?

Mr. ROCKEFELLER, Jr. I have no idea.

Chairman WALSH. Now, I am going to read you a particular paragraph, and I am not going to call your attention to the other statements to which attention—I will ask you if it is not a fact that that sermon of the Rev. Newton Dwight Hillis went to the same mailing list that was made up for the bulletins that Mr. Ivy Lee sent out?

Mr. ROCKEFELLER, Jr. If it did, I do not know it.

Chairman WALSH. I will read you an extract from it:



"The strikers insisted," this is the sermon itself. "That only union men be hired and that all nonunion men be refused a chance to work. As a matter of fact, in some of the mines less than one-third of the men were union men. The operators answered that they were perfectly willing to recognize the union and treat with the members of the union collectively through their officers."

Now, that was not the truth, was it?

Mr. ROCKEFELLER, Jr. I never before heard it was the truth.

Chairman WALSH. It is not the truth, is it?

Mr. ROCKEFELLER, Jr. That the operators said they were perfectly willing to recognize the union?

Chairman WALSH. And treat with the members of the unions collectively through their officers?

Mr. ROCKEFELLER, Jr. I never heard of it being the case.

Chairman WALSH. As a matter of fact, that was the one thing they declared they would not do?

Mr. ROCKEFELLER, Jr. So I have always understood.

Chairman WALSH. And if the person that made that statement, and that was what Mr. Bowers said, that he would let his bones bleach in the mountains of Colorado before he would recognize the union?

Mr. ROCKEFELLER, Jr. No; I don't recall that.

Chairman WALSH. You don't draw that—

Mr. ROCKEFELLER, Jr. Mr. Bowers's statement was the principle that he enunciated, and I said we stood back of, was that these men should be allowed to work, whether they were members of the union or not.

Chairman WALSH. I will ask you, then, if it is not a fact that one point that the company said, through its officers, backed up by you, that it would never yield, was the recognition of the union? That is correct, is it not?

Mr. ROCKEFELLER, Jr. I wish you would kindly repeat that.

Chairman WALSH. That is the one point that the company would never yield, was the recognition of the union?

Mr. ROCKEFELLER, Jr. That is the statement that Mr. Bowers made.

Chairman WALSH. And that is the statement that you backed him up in?

Mr. ROCKEFELLER, Jr. I backed—

Chairman WALSH (interrupting). You said you would stand by him until the end?

Mr. ROCKEFELLER, Jr. The point was, as stated in various of Mr. Bowers's letters, the recognition of the union, as demanded, meant that only men in the union could work, and when it came to the question of turning out from the mines men who were not members of the union, unless they were willing to join, on that principle I said I would stand by him.

Chairman WALSH. Did you not say that you would stand by him to the end in refusing to have a conference with the members of the union?

Mr. ROCKEFELLER, Jr. I don't recall whether the statement applied particularly to that or not.

Chairman WALSH. Did he not write to you and tell you that if they allowed a conference with the leaders of the union, that those leaders would sneak away, and then not have a strike, and claim that to be recognition of the union? And did you not say you would back him to the end in the position he had taken?

Mr. ROCKEFELLER, Jr. I said I would back the officers of the company in the general position that they had taken.

Chairman WALSH. And the position that they had taken was that they would not recognize the union?

Mr. ROCKEFELLER, Jr. That was one of the positions, the position that they had taken, but that they would not take such a step as would make it necessary for them to discharge these men unless they joined the union.

Chairman WALSH. Did you say—where is that stated?

Mr. ROCKEFELLER, Jr. I don't know where it is stated, but that is the position that I have always stood for and what the officers stood for.

Chairman WALSH. Where do you get that statement that that is what the officers always stood for?

Mr. ROCKEFELLER, Jr. It was in some letter of Mr. Bowers, in which he stated that 90 per cent of the men employed by the Colorado Fuel & Iron Co. were not members of the union, and that recognition of the union would involve the discharge of those men. I took the position that in justice to the men working for the company they ought to be allowed to work whether union men worked or not; that they were not to be discharged because union men worked.

Chairman WALSH. Did the operators ever say to the miners that they were perfectly willing to recognize their union and treat with members of the union collectively through the officers?

Mr. ROCKEFELLER, Jr. Not to my knowledge.

Chairman WALSH. On the contrary, they assumed exactly the opposite position, that they would not recognize the union; now, that is true, is it not?

Mr. ROCKEFELLER, Jr. Yes; I think that is true.

Chairman WALSH. Now, then, Dr. Newell Dwight Hillis, in his sermon that I have referred to, states that the operators answered that they were perfectly willing to recognize the union and treat with members of the union collectively through their officers, but they must also recognize the rights of the nonunion men who objected to the methods of the labor union, and claimed the right as American citizens to sell their labor at such price as they considered fair, and thus maintain their individual liberty. The strikers said, "You must unionize this mine." The operators answered, "We will recognize your union and give work to all its members, but we will also give work to men who do not want to join a union."

Did the operators ever say that to the union, that we will recognize the union and give work to all its members?

Mr. ROCKEFELLER, Jr. I don't know what the operators said, but as far as the officers of our company were concerned they had no antagonism to union men. They desired that men who were not union men would have the same right to work, though.

Chairman WALSH. Did they say that they would recognize the union, as this man states in his sermon?

Mr. ROCKEFELLER, Jr. I never have heard them say that.

Chairman WALSH. You know, on the contrary, they have said they never would recognize the union?

Mr. ROCKEFELLER, Jr. This statement is a qualified statement. This statement says that the operators would recognize the union in as far as the men working for the union were working for them, but at the same time they would also recognize the right of the other men to work.

Chairman WALSH. Let us see if it is qualified. The operators answered that they were perfectly willing to recognize the union and treat with the members of the union collectively through their officers. Will you say they never said that?

Mr. ROCKEFELLER, Jr. Will you read the balance of the statement?

Chairman WALSH. I have read it, and I am reading this now. The operators answered that they were perfectly willing to recognize the union and treat with the members of the union collectively through their officers.

Did they ever say that?

Mr. ROCKEFELLER, Jr. I do not know.

Chairman WALSH. You read that sermon?

Mr. ROCKEFELLER, Jr. I don't know. I told you I saw a sermon from Dr. Hillis in the early part of the strike. Whether this is the one or not I have no means of knowing.

Chairman WALSH. I will ask you if on July 17, 1914, following out his announced ideals, Mr. Ivy Lee did not write you the following letter:

JULY 17, 1914.

Yours of July 15 inclosing copy of Elbert Hubbard's article just at hand. I will go over the article and see if we can not make something out of it for a bulletin. You will realize that up to the present time it has been the theory of the bulletins that they be confined to statement of fact from sources or people of standing in Colorado itself. We have been seeking to lay a foundation of fact on which perhaps later we can follow with such things as Dr. Hillis's sermon, this article of Hubbard's, and perhaps other publications on the subject. It has been my hope, however, to get the basic facts stated in these earlier bulletins. I feel that we still have a little distance to go in that direction.

Bulletin No. 8 is to consist of quotations from Mrs. Helen Grenfell's statement to President Wilson, regarding the battle of Ludlow. It seems to me that a statement from an organization of women was the most effective thing we could present on this subject. The next following bulletin will deal with the question of the wages actually paid to the miners. Mr. Welborn has sent me some interesting and suggestive figures dealing with the wages paid a large number of men for an entire year.



Mr. Murphy sent me a copy of the article in the Popular Science Monthly, which concerns the subject of capital and labor. I am going to arrange to have it widely distributed, as you suggest.

Very truly, yours,

IVY L. LEE.

Now, that was the article from the Popular Science Monthly extracts from which I read you this morning, was it not?

Mr. ROCKEFELLER, Jr. I don't know.

Chairman WALSH. Do you know that Mr. Murphy sent him one for wide distribution, as you suggest?

Mr. ROCKEFELLER, Jr. I do not know.

Chairman WALSH. Now, you did read Dr. Hillis's sermon, did you, when Mr. Lee wrote you that he was laying the basic facts from which he would afterwards send out Dr. Hillis's sermons?

Mr. ROCKEFELLER, Jr. If this is the sermon referred to, I have seen it, which he preached in the early part of the strike.

Chairman WALSH. Perhaps you had better look at this and see whether or not it is the same sermon.

Mr. ROCKEFELLER, Jr. I could not tell you, Mr. Chairman; I have never seen it in pamphlet form. I am not able to identify the sermon.

Chairman WALSH. At this point we will stand adjourned until to-morrow morning at 10 o'clock, when you will please resume the stand.

(Whereupon, at 5 o'clock p. m. of this, Friday, May 21, 1915, an adjournment was taken until 10 o'clock to-morrow, May 22, 1915.)

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SATURDAY, MAY 22, 1915—10 a. m.

Present: Chairman Walsh, Commissioners Harriman, Weinstock, Lennon, and O'Connell.

Chairman WALSH. Mr. Rockefeller, if you will please resume the stand.

#### TESTIMONY OF MR. JOHN D. ROCKEFELLER, JR.—Continued.

Chairman WALSH. I want to refer to a brief extract or two from your testimony, Mr. Rockefeller, given at New York, before the commission. This question was asked you:

"Did you read the reports and dispatches of the Associated Press containing the testimony of Jefferson Farr, sheriff of Huerfano County, in the congressional investigation and in the investigation of this commission?"

"Mr. ROCKEFELLER, Jr. No, Mr. Chairman.

"Chairman WALSH. You believe that it should be made unlawful for private detective agencies to keep up armed men, enrolled for the purpose of transporting them from State to State to be used where labor disputes are in progress?"

"Mr. ROCKEFELLER, Jr. That is a question I have no knowledge about.

"Chairman WALSH. What is your information about it as a citizen?"

"Mr. ROCKEFELLER, Jr. I believe that whatever measures may be necessary in order to protect life and property in emergency situations must be adopted. If my wife and family were thus threatened, I would take whatever measure I could, I would consider afterwards the propriety of them, but I would adopt the thing that I felt would be my first duty."

You meant by that that you would exercise what is known as the necessary self-defense of person and property?

Mr. ROCKEFELLER, Jr. I meant by that when the forces of the law were not adequate to protect me, and the actual life of my wife or family was at stake, I would protect myself.

Chairman WALSH. And necessarily you would have to determine the moment that that situation occurred, would you not, Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. It would be a last resort, Mr. Chairman.

Chairman WALSH. It would be a last resort, but finally you would have to determine those facts, first, as to whether the protection which ought to come from the constituted authorities was present or not, and next whether or not the violence, in the absence of that protection, was so close and impending that you would have to act yourself?

Mr. ROCKEFELLER, Jr. Of course, if an officer of the law were present to perform his duty, there would be no question as to the impropriety of so acting.

If an officer of the law could be gotten, or was accessible under such circumstances, I would not justify for a moment the opposing of the forces of the law. But, if a burglar, as I think I there stated, came into my house and held a revolver at my head, and it was a question, the next second, of my life being taken or acting in self-defense, under those extreme circumstances, where there was no opportunity to get the protection of the law, under those very extreme circumstances, life about to be taken, I think a man would be justified then.

Chairman WALSH. Suppose the burglar's mask fell off, and you recognized he was the sheriff of the county, and notwithstanding his official position he was about to commit violence upon your person?

Mr. ROCKEFELLER, Jr. The officers of the law should never be opposed. If the officer of the law is about to shoot me with a revolver at my head, and I have either got to die or defend myself, in that extreme and remote circumstance, a man has a right under the law to defend himself, but only in such a case.

Chairman WALSH. You would feel that there was nothing left for you to save your life, or the lives of those that were entitled to your protection, except to kill the man?

Mr. ROCKEFELLER, Jr. I don't say to kill the man.

Chairman WALSH. Or shoot him or use whatever force was reasonably necessary to repel his attack?

Mr. ROCKEFELLER, Jr. If he was about to shoot me, and had his finger on the trigger, I would feel justified in undertaking to prevent that, but not to kill him, unless it came to a death struggle, and it was a question of fight, man to man.

Chairman WALSH. Unless you thought you had to die to defend your own life or your family's?

Mr. ROCKEFELLER, Jr. It would not be a question of thought, but whether he was getting the better of me, and in the fight man to man I had to defend myself.

Chairman WALSH. Do I understand that you would wait, if it was the sheriff that was the burglar, that you would wait until he had his finger absolutely upon the trigger before you fired?

Mr. ROCKEFELLER, Jr. It is difficult, except when one is in a position of that sort, to say just how one would act at the moment.

Chairman WALSH. In other words, you would have to decide the moment the danger was presented and the amount of force you would have to use to save your own life?

Mr. ROCKEFELLER, Jr. The danger would have to be so great that I would have to feel before taking action that when I was brought before a court of justice to defend the resistance of an officer of the law, that the court would find me guiltless, and find that circumstances were such that I was justified. If I did not think that such a situation existed, I would not be justified.

Chairman WALSH. In other words, you would have to be the judge in the final instance as to whether or not you were compelled to use violence to repel the attack? Otherwise, you would not act?

Mr. ROCKEFELLER, Jr. I would have to be the judge, but I would have to have, as overbalancing the possibility of death, the possibility of sentence at the hands of the law for having opposed an officer of the law.

Chairman WALSH. Even if the officer of the law was the burglar?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. You know there have been such cases, you have read of them frequently, where a highwayman was captured and he turned out to be a police officer, and they have been convicted of it?

Mr. ROCKEFELLER, Jr. I don't recall any of them.

Chairman WALSH. You don't recall any of those cases?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. But take a case of that kind, where a highwayman attempts to hold up a citizen, and notwithstanding the citizen sees that this highwayman, with a revolver at his head—and would say, give me your money or I will kill you, and the citizen recognized the highwayman as a police official, should he give his money or take death rather than resist him?

Mr. ROCKEFELLER, Jr. I can not make my position clearer than by repeating what I have just said; the imminence of death must be so great that the individual is willing to take the chances of justifying his act before a court of justice—his act of opposition to the law before a court of justice—else he is not justified in resorting to violence.



Chairman WALSH. So you think that if an attack was made upon you by a highwayman, and you discovered that that highwayman was a detective that you had seen, that you should attempt to impartially at that moment determine what the result of the case would be in court thereafter?

Mr. ROCKEFELLER, Jr. I have stated my views on the subject.

Chairman WALSH. Very good; I will state another case. Take a case of this sort: You have a home, I believe, at Seal Harbor?

Mr. ROCKEFELLER, Jr. I have.

Chairman WALSH. And we will suppose that while you were in your home, conscious in your own mind that you have committed no offense against the law, that the sheriff came to your door; that he was accompanied by three other men—small, dark, strange men—that you had never seen before in your life; that the sheriff was elected, and after he was elected you heard from sources that carried conviction to your mind that that sheriff was an anarchist; that is, that he had no respect himself for the courts or for law; that he had no respect for the property rights or the liberty of the individuals in his county; that you knew that; that he came to your door with these three other men in the dead of the night and aroused you without giving you an opportunity to properly clothe yourself, and said, "Come and go with me"; that you recognized him as the sheriff, but you had in mind that he was an anarchist, and you knew it. You asked him if he had a warrant, and he said he had no warrant; and you asked him then what he proposed to do with you, and he told you that he had a boat at the landing that he was going to put you in with the assistance of these other three men, and then he was going to transport you to a place where there was an empty box car; that they were going to put you in that box car and take you to Girard, Kans., and there going to throw you out of the box car; and you asked him for a warrant, and he said he had no warrant, and you appealed to the other men with him, and then you discovered for the first time that they either did not speak English or spoke it so imperfectly that you could not understand it; that they were speaking in a strange language, a sort of a corruption of the Spanish language, and that you could not understand it. Knowing the character of these men, would you leave that house without resistance and stand being put into that box car and shipped to Girard, Kans., or Walsenburg, Colo., or some other point in the West?

Mr. ROCKEFELLER, Jr. I stated the principle that I think should govern a man in any such instance.

Chairman WALSH. What was that?

Mr. ROCKEFELLER, Jr. The statement that I made a moment ago.

Chairman WALSH. You think under those circumstances he should resist to the best of his ability?

Mr. ROCKEFELLER, Jr. That is, if the man's life was the next second to be taken—

Chairman WALSH (interrupting). I am leaving out the life. I am stating that these four men were just going to up and do that with you—put you in a box car and take you to Girard, Kans., or Walsenburg, Colo., and dump you out of the box car.

Mr. ROCKEFELLER, Jr. I stated the principle upon which I think alone a man would be justified, under the extreme circumstances which I have mentioned, in opposing an officer of the law, only when death is imminent, and only when he should feel that before a court of justice, were he subsequently brought to defend his action, he could be defended and would be acquitted. I am not prepared beyond that statement, which covers fully the circumstances, to express an opinion in such cases.

Chairman WALSH. I am stating this case to you hypothetically, because I am going to read a concrete instance in the correspondence between Mr. Bowers and yourself, and I now ask you under those circumstances would you be willing to go without resistance with these four men, one of whom you know to be an anarchist, and the other three of whom did not understand your language, and without a warrant, even though one was the sheriff?

Mr. ROCKEFELLER, Jr. I have made a statement which I think covers the situation, Mr. Chairman.

Chairman WALSH. Is it not a fact, Mr. Rockefeller, that you would have your associates or your family or your servants arouse the neighborhood and bring them up to defend you against these four men who took you away from your home in the dead of night?

Mr. ROCKEFELLER, Jr. I have made a statement which I think covers this situation.

Chairman WALSH. Would you not arouse your neighbors and resist these men, this anarchist and these three strange foreigners?

Mr. ROCKEFELLER, Jr. I have not anything to add to the statement I have made.

Chairman WALSH. You would not say whether you would or would not? Do you wish to leave the implication you would tamely go with them without arousing your neighbors and allow them to take you to Walsenburg, Colo., or to Girard, Kans., if one of them happened to be a sheriff, although you knew he was an anarchist and a criminal?

Mr. ROCKEFELLER, Jr. I have not anything further to add, Mr. Chairman.

Chairman WALSH. When did your father secure this interest in the Colorado Fuel & Iron Co.? What was the date?

Mr. ROCKEFELLER, Jr. I do not recall the date. I should say some 12 or 13 or possibly 14 years ago.

Chairman WALSH. Was it not in 1902, the early part of 1902?

Mr. ROCKEFELLER, Jr. I do not recall, Mr. Chairman.

Chairman WALSH. Do you, in the conduct of this and other industries, read the Government reports relative to labor, the condition of labor and the occurrences in labor fields?

Mr. ROCKEFELLER, Jr. I have not happened to do so.

Chairman WALSH. Do you not read the Government reports respecting the labor conditions and properties in which you are interested?

Mr. ROCKEFELLER, Jr. I have not.

Chairman WALSH. Don't you ever do it?

Mr. ROCKEFELLER, Jr. I have not.

Chairman WALSH. I say, don't you ever do it?

Mr. ROCKEFELLER, Jr. I have not done it.

Chairman WALSH. You have never done it? [No audible response.] Were you a director of the Colorado Fuel & Iron Co. while that strike was going on?

Mr. ROCKEFELLER, Jr. The recent strike?

Chairman WALSH. No; 1903 and 1904.

Mr. ROCKEFELLER, Jr. No; I can not recollect; I presume I was.

Chairman WALSH. Did you become a director as soon as your father bought his interest in the company?

Mr. ROCKEFELLER, Jr. That I do not recall.

Chairman WALSH. I will read you some extracts in regard to the labor disturbances in your own company from the Labor Commissioner's report of 1905:

"The first deportation by the militia at Trinidad occurred on the night of March 26, when Josef Paganni and Adolfo Bartolli, William M. Wardjon and 'Mother' Jones were deported. Six militiamen accompanied them from Trinidad to La Junta and warned them never to return. Paganni was the editor and Bartolli was the publisher of *Il Lavatore Italiano*. Wardjon was the national organizer of the United Mine Workers of America, and 'Mother' Jones was employed by that organization.

"Gov. Peabody, on being interviewed, said that he had issued no orders calling for deportations; that his orders to Maj. Hill, both public and private, had been of a general nature, placing authority in his hands to do whatever was necessary for the maintenance of law and order, and that any deportations which might be made would be carried out upon Maj. Hill's own responsibility.

"By order of Maj. Hill, saloons were permitted to reopen on March 31, saloon keepers being enjoined not to sell or give liquor to soldiers or to intoxicated persons.

"On April 2 eight men were deported from the State. They had been arrested at the several coal camps during the previous two weeks and had been confined in the county jail. They were placed on a Colorado & Southern train, conducted by a detail of soldiers to the line between Colorado and New Mexico and warned not to return. All of the men who were deported were strikers, some of them had been active in the conduct of the strike, and nearly all of them were officers in their local unions. Maj. Hill, on being asked if there were any specific charges against them, said, 'No; but I believe their absence is better for the people than their presence.'

Further on in this same report, being the report of the Commissioner of Labor for 1905, it is said:

"On April 9 a military detail deported four men from Trinidad to New Mexico. One was the secretary of a local miners' union, another was one of the union commissary managers at Aguilar, another a local union organizer. When arrested by the militia they had been charged with intimidation of nonunion miners."



Again, further on, the report says:

"W. M. Wardjon, national organizer of the United Mine Workers of America, was attacked and severely injured while he was a passenger on a Denver & Rio Grande train. When the eastbound train reached Sargents on the evening of April 29, it stopped 20 minutes for supper, but Mr. Wardjon and a lady passenger did not leave the parlor car. Three armed men entered the car and cursed Wardjon, beat him with revolvers, and kicked him. His injuries consisted of four scalp wounds, two cuts on the face, and numerous bruises on the body. After inflicting this maltreatment the three men left the train. Wardjon proceeded to Salida, where he entered the hospital of the Denver & Rio Grande Railroad. He was positive in his identification of two of his assailants as men in the employ of Reno's Detective Agency."

Again, this report says:

"On May 19, 80 Italian strikers were marched from Berwind to Trinidad by a troop of cavalry. They had refused to register at Berwind and to have their descriptions written for future reference, according to an order issued by Maj. Hill a few days previously. The men complained that the march of 18 miles over the mountains on a hot day caused them great fatigue and that some of them dropped by the wayside, but they were cursed and driven on by the mounted soldiers. They were given water but no food either on the march or at Trinidad. On arrival at military headquarters there they were photographed in groups and registered according to the Bertillon system, then turned loose. They were fed at the commissary of the union."

"On May 22, 10 men who had been arrested on various charges during the previous fortnight were placed on board a southbound Colorado & Southern train at Trinidad and taken across the line into New Mexico in charge of an officer and a squad of soldiers."

That is the report of the Government on certain crimes that were committed by the soldiers in the strike in your industry in 1904, and you say you never read the Government report and your attention never called to the fact, or if it was, you had forgotten that such were done in that strike?

Mr. ROCKEFELLER, Jr. I have never read the report. I had knowledge, at the time, generally, of things told that were occurring, as such knowledge came to me from the officers of the company on the ground. What that knowledge was I do not now recall, the period being many years since.

Chairman WALSH. On September 29, 1913, I find Mr. Bowers wrote you as follows:

"Old 'Mother' Jones has been on the ground for two weeks, but Saturday, we understand, the governor ordered her to be taken to the State line and ordered not to return."

You got that letter from Mr. Bowers, your chief executive officer, in Colorado, on September 29, 1913, did you not?

Mr. ROCKEFELLER, Jr. If that is among the letters which have been filed with the commission, I did.

Chairman WALSH. Don't you remember yourself that you did receive such a letter from Mr. Bowers?

Mr. ROCKEFELLER, Jr. I don't recall, Mr. Chairman, the contents of the many letters I received from the officials of the company. I do not question the letter was written if it was in the batch of letters that have been supplied to the commission.

Chairman WALSH. Is it possible, Mr. Rockefeller, that you have no recollection of any of the occurrences in Colorado except such as are contained in letters which have been produced and filed with the commission?

Mr. ROCKEFELLER, Jr. I have seen statements in the papers and have received statements from various people in other publications in regard to conditions in Colorado in addition to the things which came to me from the officers of the company.

Chairman WALSH. You have answered questions repeatedly by saying, "If it is in the letter, then I receive it," or "If it is in the letter, why, that may be so." Is your knowledge or information with respect to the situation in Colorado definitely confined to the letters that have been produced before the commission or have you other and further information from interviews with the officers?

Mr. ROCKEFELLER, Jr. I have had interviews with the officers in addition to the other sources which I have mentioned.

Chairman WALSH. I will read you an extract from the letter of September 29, which your officers furnished the commission from L. M. Bowers to you, addressed and sent to you at 26 Broadway, New York City:

"Old 'Mother' Jones has been on the ground for two weeks, but Saturday, we understand, the governor ordered her to be taken to the State line and ordered not to return."

Now, you got that from Mr. Bowers at the time, did you not?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. And a very few days thereafter you wrote to Mr. Bowers, the letter which I have already read, in which you said you backed the officers up in all they did out there, did you not?

Mr. ROCKEFELLER, Jr. Mr. Chairman, will you be kind enough to read the whole of the letter from Mr. Bowers, from which you quote that statement?

Chairman WALSH. I can not do that at this time, Mr. Rockefeller, but I will say this, that any of these letters that you desire to submit more extensive extracts from or to read in full may be handed by your staff or used by you after I conclude my examination.

Mr. ROCKEFELLER, Jr. I am unable to reply, Mr. Chairman, definitely to questions which are based upon statements contained in letters—fragmentary statements. I think you will recognize the justice of that.

Chairman WALSH. It is sometimes difficult, and at any time you are unable to answer because the further context of the letter is not given you may so indicate, and it will be accepted, so far as I am concerned, as a reason for not answering the question.

Mr. ROCKEFELLER, Jr. This is such an instance, Mr. Chairman.

Chairman WALSH. I believe it is your request that I read this. I happen to have it here, and I will read that letter through for you:

"I have your letter of September 29 with reference to the coal strike in southern Colorado. We know how earnestly desirous you have always been to have the men in your employ work under the best possible conditions and receive every consideration and advantage. We also know that you and Mr. Welborn have spared no pains to provide for the well-being and look out for the interests of the employees of the Colorado Fuel & Iron Co. Your letter simply confirms what we knew to be the case.

"You gentlemen can not be more earnest in your desire for the best interests of the employees of your company than we are. We feel that what you have done is right and fair and that the position which you have taken in regard to the unionizing of the mines is in the interest of the employees of the company. Whatever the outcome may be, we will stand by you to the end.

"Very truly,

"JOHN D. ROCKEFELLER, Jr."

That was written on October 6, 1913, and this quotation I have read to you about "Mother" Jones is in a letter of September 29; that is a letter written just a week before you said whatever the outcome would be you would stand by them to the end. The quotation I read you from this letter is the only quotation, as I recall, that had reference to "Mother" Jones or the deportation of any other persons. I do not care to read that letter in full, but I will read an extract:

"Old 'Mother' Jones has been on the ground for two weeks, but Saturday, we understand, the governor ordered her to be taken to the State line and ordered not to return."

Now, your mind is thoroughly familiar with that item in the letter, is it not?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. And you got it at the time?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. Are you aware that the deportation of persons is a violation of the fourteenth amendment to the Constitution of the United States, guaranteeing due process of law—you have often read of its being invoked—the fourteenth amendment to the Constitution of the United States?

Mr. ROCKEFELLER, Jr. I do not recall at the moment.

Chairman WALSH. I will read it to you, then:

"Nor shall any State deprive any person of life, liberty, or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the law."

Now, it is a familiar provision to you, is it not?



Mr. ROCKEFELLER, Jr. I have just heard you read it.

Chairman WALSH. It is very frequently invoked for the preservation of property and life, is it not?

Mr. ROCKEFELLER, Jr. I can not say that.

Chairman WALSH. You can not say that?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. Were you aware that that action toward that lady was a violation of that provision of the Constitution of the United States?

Mr. ROCKEFELLER, Jr. I had no knowledge of it.

Chairman WALSH. Did you, as an official of the company, notify any public authority that the rights of this lady were about to be invaded?

Mr. ROCKEFELLER, Jr. I did not.

Chairman WALSH. Did you, as an official of the company, remonstrate with Mr. Bowers, who was in charge of the situation for your company in Colorado, for condoning or sympathizing with what would have been a violation of the Constitution of the United States?

Mr. ROCKEFELLER, Jr. I have no reason to believe that Mr. Bowers condoned or sympathized with any violation of the Constitution or any other law.

Chairman WALSH. You had no idea of condoning or sympathizing with that?

Mr. ROCKEFELLER, Jr. I have not.

Chairman WALSH. Do you recall the letter Mr. Bowers wrote you November 18, 1913, when things were quiet, comparatively, there in regard to that particular form of crime?

Mr. ROCKEFELLER, Jr. I do not.

Chairman WALSH. I will read this, if you do not recall it:

"NOVEMBER 18.

"It is true, Mr. Rockefeller, I have not sent you much published matter in regard to the strike during the last few days, as we have been having a season of comparative quiet in southern Colorado."

This is the one in which he also says:

"You will be interested to know that we have been able to secure the co-operation of all the bankers of the city who have had three or four interviews with our little cowboy governor. Another mighty power has been rounded up in behalf of the operators"—

Referring to the newspapers. I will not read that again. Well, Mr. Manly calls my attention to the fact that the particular thing I want to call your attention to follows immediately after "the little cowboy governor":

"You will be interested to know that we have been able to secure the co-operation of all of the bankers of the city who have had three or four interviews with our little cowboy governor, agreeing to back the State and lend it all the funds necessary to maintain the militia and afford ample protection so that our miners could return to work or give protection to men who are anxious to come up here from Texas, New Mexico, and Kansas, together with some States farther east. Besides the bankers, the chamber of commerce, the real estate exchange, together with a great many of the best business men, have been urging the governor to take steps to drive these vicious agitators out of the State."

Now, Mr. Bowers wrote and told you that he had rounded up the bankers and the big business men, and that they were urging the governor of the State of Colorado to violate the Constitution of the United States and drive people that they deemed to be agitators out of the State during a season of comparative quiet—so quiet that Mr. Bowers did not think it necessary to send you any newspaper clipping of the struggle.

Mr. ROCKEFELLER, Jr. Is there a question based on that?

Chairman WALSH. Yes. The question based upon that is, Whether or not you condone the act of your executive agent in urging the governor of the State and in rounding up, as he said, the bankers of Denver to urge the governor of the State to drive these people out of the State?

Mr. ROCKEFELLER, Jr. I think it was the duty of that company or of any company to take whatever legitimate means they might see fit to see that the law was enforced and that proper protection to the people and to the interests of the State was given.

Chairman WALSH. Well, now, Mr. Bowers told you in that same letter that it was a season of comparative quiet; that there was nothing interesting enough to send you the clippings, and he said nothing here about upholding the law in this sentence; but he said they had rounded up these men, that they had had

interviews with the little cowboy governor, and they had urged him to take steps to drive these vicious agitators out of the State. Didn't you believe that the upholding of the law would be to bring any person to answer in court for any violation of law—any agitator; but that under no circumstances could the law itself be violated—that is, that the people be driven from the State?

MR. ROCKEFELLER, JR. I presumed the governor would take such steps as he thought were within his rights as governor.

CHAIRMAN WALSH. But this is the supreme law of the land, the Constitution, that no man shall be deprived of his liberty without due process of law, and that every person shall be entitled to the equal protection of the laws. Now, when you got that letter from Mr. Bowers, stating that he had rounded up these powerful interests, and they were urging the governor to take steps to drive these vicious agitators out of the State, did not you know that was a violation of the fourteenth amendment to the Constitution of the United States, guaranteeing due process of law—

MR. ROCKEFELLER, JR. As I have already—

CHAIRMAN WALSH (continuing). And that those people were entitled to the equal protection of the law and that the State or the governor were not themselves permitted to deprive them of their liberty or of their property without due process of law?

MR. ROCKEFELLER, JR. I am not a lawyer, Mr. Chairman, and I did not enter into all those questions.

CHAIRMAN WALSH. Do you know now that it was a violation of the Constitution of the United States?

MR. ROCKEFELLER, JR. You have so stated.

CHAIRMAN WALSH. Well, you heard me read the provision. Now, if it turns out that Mr. Welborn and Mr. Weitzel joined in that effort to have the constitutional rights of these people taken away from them, I suppose that you will not hesitate to cast your vote, at least, to remove them from the offices which they have thus abused in your company?

MR. ROCKEFELLER, JR. Whenever I have reason to doubt the earnest purpose of the officers of the company to do what they believe is right under the circumstances which exist, which they know about, and which I do not know about—whenever I have any reason to doubt the earnestness of their purpose to do what they believe to be right, I shall take such action as it seems to me is right and expedient to undertake, to change their view or to replace them. But I do not feel called upon to state in advance of the full statement of the facts on both sides of any case of that kind what action I should regard as justified by the facts as they might develop.

CHAIRMAN WALSH. Will you immediately take up the question as to whether or not that offense against the law was committed, so that you may act after you have full information in regard to the facts?

MR. ROCKEFELLER, JR. Mr. Chairman, there have been many commissions and committees sitting for several years undertaking to get the facts in connection with the disturbance in Colorado the past year or 18 months. The testimony, in so far as I have heard any of it or read any of it, is very conflicting; and it is a difficult thing—

CHAIRMAN WALSH. Well, Mr. Bowers is here. Perhaps you might ask Mr. Bowers if what he stated in his letter are the true facts.

MR. ROCKEFELLER, JR. It is difficult to know what the facts are. I am taking and propose to take, in the discharge of my duties as a stockholder and a director in this company, such steps as I believe are proper for me to take to see that what is right and proper is done; and I intend to continue to do that. If any injustice or wrong has been done and is proved to have been done, I am expecting, of course—no one would be quicker than I to take whatever means might be proper and I should regard as proper, to rectify a wrong done. But I am not prepared to state in advance as to what steps I would take in any instance.

CHAIRMAN WALSH. Now, as a director of this corporation and with Mr. Bowers, who wrote the letter, sitting right in this room, and Mr. Welborn, who is still president of this company, don't you think that you could determine, say, by 2 o'clock, say, during the noon recess, whether or not what is stated in that letter is true; and your attorney being here, I believe, Mr. Murphy, couldn't you call his attention to that provision of the Constitution of the United States, and thus have the facts readily at your hand so that you could begin to act promptly if any such crime had been committed?



Mr. ROCKEFELLER, Jr. The commission has been in a position to get any information which they may like from any of the officers of these companies; and I have stated and I maintain that I will do whatever seems to me right and proper in endeavoring to see that what is right is done in the companies where I am related. I do not expect, Mr. Chairman, to commit myself to any specific act in connection with the carrying out of what I may regard to be my duty.

Chairman WALSH. You say commissions have been sitting. You meant that perhaps you could get that information through the medium of this commission?

Mr. ROCKEFELLER, Jr. I meant that the commissions are able to get what information they want. They have had the opportunity of getting all the information they want.

Chairman WALSH. Now, are you ready as a director to see that the law is upheld when you get to it and see that any violation of any of the laws or of the Constitution of the United States is punished, or will you condone things done in violation of the Constitution by those who, with others, say they have rounded up other interests so that the Constitution of the United States would be violated?

Mr. ROCKEFELLER, Jr. I propose to do in any instance whatever I regard to be my duty as a citizen.

Chairman WALSH. You believe, of course, in upholding the Constitution of the United States?

Mr. ROCKEFELLER, Jr. I do.

Chairman WALSH. And you would not think that any agitator, no matter how vicious he was, should be driven out of the State in such fashion as I read to you, in 1905, that they took "Mother" Jones out, or that 8 miners, or 10, or 16, should be driven across the hills, without sufficient nourishment, simply because a militia officer thought their presence was not necessary? You would not favor that?

Mr. ROCKEFELLER, Jr. I am in favor of absolute justice, and nothing else.

Chairman WALSH. Then you would not answer whether you favor what was done in your own industry, in that particular instance?

Mr. ROCKEFELLER, Jr. I have stated that I am not in a position and I do not feel called upon to answer in regard to questions in which I have not all the facts.

Chairman WALSH. Do you believe that the so-called viciousness of an agitator ever justifies the officers of the law in driving that agitator from the community?

Mr. ROCKEFELLER, Jr. Unless any citizen is breaking the law, they have the same right that other citizens have to live where they may choose.

Chairman WALSH. Now, suppose as a director of the Colorado Fuel & Iron Co., it was found that the men who actually drove out the agitator were in the employ and pay of your own company, would you then take action to have the officers of your company punished in the courts?

Mr. ROCKEFELLER, Jr. Mr. Chairman, I will repeat that I do not feel called upon to state what action I might regard as necessary, as proper, in the fulfillment of my duty, with reference to any wrongs which might be proved to have existed, while I have responsibility, and I would take what action I thought was right and proper under the circumstances. I have stated that, and repeated it, and beyond that I am not prepared to make answer.

Chairman WALSH. What would constitute proof to you?

Mr. ROCKEFELLER, Jr. I don't think I need to discuss that question.

Chairman WALSH. Would you give any idea to the commission as to what you would require as proof before you would act, where your own subordinate men, elected by your own vote, were violating the law?

Mr. ROCKEFELLER, Jr. I don't feel called upon to state in what way I would act or upon what occasions, but I would satisfy my own conscience as to what action should be taken.

Chairman WALSH. Do you consider yourself a vicious agitator?

Mr. ROCKEFELLER, Jr. I have not so considered myself.

Chairman WALSH. Would you think that any person or persons who denounced you as a vicious agitator were staying with the realm of truth, or fair inference, in your actions in this Colorado controversy?

Mr. ROCKEFELLER, Jr. I don't care to enter into a personal discussion of that kind.

Chairman WALSH. I will state another hypothetical question to you: Suppose that a company of militia called at your home, and with arms ordered you to get out and walk ahead of them down Fifth Avenue and into another State,

and when you protested against it you were told that you were a dangerous agitator, that the people in that neighborhood claimed that they had discovered that you had sent out a pamphlet written by another man, or paid to have a pamphlet sent out written by another man, in which you charged old Mr. Jones, an old neighbor, who was the president of the carpenters' local union, with being an East Indian thug and robber and murderer, and in the same article you had charged Mr. Smith, the secretary-treasurer of the machinists' union, who had lived in the neighborhood for many years, and was a law-abiding citizen, with being a robber and murderer and common thug, and that they discovered that you had sent this out, or paid to have it sent out, and that they had aroused the people, and had them to believe from that that you were a dangerous agitator, and that these men, although clothed with private authority, were just undertaking, not to arrest you for that, and arraign in court, but to march you across the State line into another State, what action do you think you would be entitled to take to protect yourself?

MR. ROCKEFELLER, JR. I have stated that it is my belief that the officers of the law should be respected and not resisted, and I have stated the principle, in a rare case only, where life is immediately threatened, on which I think the man would be justified in resisting. I have stated what justification there would have to be—such justification as could be established before a court of law, where he might be taken, because he was opposing himself to the officers of the law, and it would have to be such justification as could be established before that court of law, and that principle is the principle I am prepared to stand on, and it covers all such cases. I am not prepared to make reply to suppositions cases beyond that principle.

CHAIRMAN WALSH. In view of the fact that Mr. Bowers was endeavoring to have the Government drive those people out of the State, I am asking the question, would you resist being driven from the State in which your home is located, without due process of law?

MR. ROCKEFELLER, JR. I would not resist the officers of the law.

CHAIRMAN WALSH. You would let them take you to the State line and dump you out of the box car.

MR. ROCKEFELLER, JR. I have stated the principle on which my action would be based.

CHAIRMAN WALSH. Say you were economically situated so that you could prosecute those people, I suppose you would go back and prosecute them?

MR. ROCKEFELLER, JR. I am not prepared to answer such questions.

CHAIRMAN WALSH. And if not—

MR. ROCKEFELLER, JR. I am not prepared to answer questions of that kind.

CHAIRMAN WALSH. Now, supposing that a body of men, living in the only homes they had, in a tent colony, concluded that the forces of the law, sheriff's office, or whatever the law forces were, were not sufficient to protect them, would they be entitled to raise a force of men and arm them with deadly weapons to protect themselves in their homes?

MR. ROCKEFELLER, JR. Will you kindly read the first part of that question again?

CHAIRMAN WALSH. The first part of that question was, there was a large body of men; they have their families living in the only homes they have, which is a tent colony; they become convinced that the forces of the law are not sufficient to protect their homes, their property, and the lives of the people in them, and they themselves raise a body of men and arm them with deadly weapons for the purpose of taking the places of the constituted authorities or supplementing them; would you not say that they were thoroughly justified for the purpose of protection, in taking that action?

MR. ROCKEFELLER, JR. I think no action would be justified which took the place of the constituted authorities.

CHAIRMAN WALSH. I will ask if you did not answer a question propounded to you in the New York hearing in this way:

"Do you believe the Government is strong enough in this country to protect the property and lives of its citizens or that a stage has been reached where that matter must be left to private endeavor?"

To which you answered:

"I certainly believe that the Government is strong enough to protect the lives of its citizens. Should there arise, as is constantly shown, instances where the forces of law are not gathered in sufficient quantity at a specific point to meet every emergency that may arise—and I should think that situa-



tion has developed in Colorado—that there was a time when the State of Colorado was not able to maintain law and order.”

And in that case you will recall you armed your own mine guards. Do you not believe that if it applies to you and the Colorado Fuel & Iron Co., it should also apply to anybody who desires to protect his property, his home, and his own people?

Mr. ROCKEFELLER, Jr. I think the rules of justice which apply to one citizen apply to all citizens.

Chairman WALSH. Are you a stockholder in the Pennsylvania Railroad Co.?

Mr. ROCKEFELLER, Jr. I am.

Chairman WALSH. And to what extent do you represent stock in the Pennsylvania Railroad?

Mr. ROCKEFELLER, Jr. I do not represent stock at all. I am not a director of the company.

Chairman WALSH. What amount of stock do you own in the Pennsylvania Railroad Co.?

Mr. ROCKEFELLER, Jr. I think I have three or four thousand shares of the stock.

Chairman WALSH. Do you know it to be a fact that the officers of the Pennsylvania Railroad Co. have on hand thousands of deadly weapons and many thousands of rounds of ammunition constantly?

Mr. ROCKEFELLER, Jr. I do not.

Chairman WALSH. As a stockholder in the Pennsylvania Railroad Co., would you vote to retain in office a director who ordered the executive officers of the company to hold thousands of deadly weapons and thousands of rounds of ammunition in times of peace to supplement the authorities when they, in their opinion, believed that their property was not being protected?

Mr. ROCKEFELLER, Jr. I take no voice in the management of the Pennsylvania Railroad, Mr. Chairman. I have simply a small investment, as I stated. I am not prepared to dictate to the officers of any company in which I have an investment of the kind or to suggest to them what methods they should take for conducting their business.

Chairman WALSH. Do you also own bonds of the Pennsylvania Railroad Co.?

Mr. ROCKEFELLER, Jr. I do not.

Chairman WALSH. Are you a stockholder in the American Agricultural Chemical Co.?

Mr. ROCKEFELLER, Jr. I am not.

Chairman WALSH. Your father is?

Mr. ROCKEFELLER, Jr. He may be; I am not sure.

Chairman WALSH. The Rockefeller Foundation is the owner of bonds in that company, is it not?

Mr. ROCKEFELLER, Jr. Very possibly; I do not recall.

Chairman WALSH. Do you, as the representative of your father's investments, know whether or not he has bought stocks and bonds of the American Agricultural Chemical Co.?

Mr. ROCKEFELLER, Jr. I do not recall.

Chairman WALSH. Did you notice the fact that the American Agricultural Chemical Co. in the State of New Jersey, within some 15 or 20 miles from your home, while this commission was in session in New York, brought into Roosevelt, N. J., a body of armed men from without the State, although the courts were open and the sheriff of the county and the chief of police of the town were reputable officers, the governor, as chief executive of the State, was in command of the militia, and that a conflict took place between those armed men and the body of citizens, resulting in the death of some of the citizens?

Mr. ROCKEFELLER, Jr. I saw some mention of some of those facts in some of the newspapers at the time.

Chairman WALSH. Do you know that that is a fact?

Mr. ROCKEFELLER, Jr. I only saw the headlines. I never read the details of the occurrences there.

Chairman WALSH. The report which you made to this commission, I believe, showed that the Rockefeller Foundation had half a million dollars worth of the bonds of the American Agricultural Chemical Co.?

Mr. ROCKEFELLER, Jr. If the report showed it it was true, Mr. Chairman.

Chairman WALSH. Do you now know whether the report showed that or not?

Mr. ROCKEFELLER, Jr. As I told you when you asked me in New York about the various investments held by the foundation, the number is a hundred or more, and I can not carry in my mind the different investments. I do not know of my personal knowledge. I may have known; I do not recall at the moment.

Chairman WALSH. Do you deem it perfectly proper for the officers of a corporation having a large amount of property in their possession to buy arms and keep arms for the purpose of protecting that property, outside of the officers of the law, or in cases where, in emergency, the officers of the law are not in a position to act?

Mr. ROCKEFELLER, Jr. I think the officers of the law should maintain law and order.

Chairman WALSH. But if they do not?

Mr. ROCKEFELLER, Jr. What particular instances might arise in which certain individuals charged with the responsibility might think it was necessary for them to take such action as you have stated I could not state without knowing all of the facts.

Chairman WALSH. I will submit all these facts to you. On September 1, 1913, in the county of Huerfano and in the State of Colorado, and before any strike was called affecting any of the mines of the Colorado Fuel & Iron Co. in Huerfano County, Jefferson Farr, sheriff of Huerfano County, swore in 326 men and commissioned them as deputy sheriffs; that Mr. Farr did not know these men personally, and that, so far as he knew, many of them might have been red-handed murderers and criminals; that the county and State did not pay these men; but they appointed them at the request of Superintendent Madison, of the Colorado Fuel & Iron Co., who told him that they were to be furnished arms and paid by the Colorado Fuel & Iron Co. Assuming these facts to be correct, would you say that such conduct was a menace to the peace of the county as well as to a republican form of government?

Mr. ROCKEFELLER, Jr. I can not say whether that was more of a menace than not to have taken that action, because I was not on the ground.

Chairman WALSH. I am going to ask you now if that same question, or practically that same question, was not asked you on the stand in New York, and if you did not reply as follows:

"I should say that if the officers of the Colorado Fuel & Iron Co. thought there was danger impending to the company and the lives of its employees in a remote section of the country, where the ordinary forms of protection were not adequate, that it would be their duty to take any steps they might feel should be taken in an emergency case to protect such lives and property, and I can fancy that a situation like that arising might not make it always possible to do the thing most desirable, but one has to do some things in an emergency. I assume this situation was a situation of this kind, and the officers of the company felt their first duty was for the protection of lives and property, and they did what seemed to them wise. I should not be able to pass on the propriety of their actions in that instance without knowing all of the circumstances; but I would say unhesitatingly that anything that interferes with a democratic form of government is always to be deplored and avoided absolutely unless the protection of lives and property arises in such a situation that some immediate action has to be taken."

Do you stand on that statement to-day?

Mr. ROCKEFELLER, Jr. I do.

Chairman WALSH. An emergency may arise in which immediate action must be taken by the officers of a corporation to protect their property and the lives of the people working for them?

Mr. ROCKEFELLER, Jr. That is what I stated there.

Chairman WALSH. You stand on that proposition to-day?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. Suppose it be true that there were 500 people in the Ludlow tent colony—500 men—with wives and families, numbering, altogether, more than a thousand people; that according to their best judgment their property was in danger; they were in a place remote from centralized government, as you might say, they believed that the emergency was upon them; that their lives were in danger and their property imperiled, were they not only acting within their rights, but acting as good citizens, when they armed themselves, as you say, their having a right to do so, to protect their property, as you say the company had a right to do, to protect their little property, and to protect their lives?

Mr. ROCKEFELLER, Jr. I stated, I think, in the article which you read, that the company officials on the ground would be the ones to determine that.

Chairman WALSH. And these human beings in tents would be the ones to determine what was necessary to protect their lives, would they not?

Mr. ROCKEFELLER, Jr. I would not want to determine it for them.



Chairman WALSH. Would they not have the same rights as officers of your company?

Mr. ROCKEFELLER, Jr. Any citizen would have the same right before the law.

Chairman WALSH. Now, if the Government was not strong enough to protect your property in Colorado and the lives of your employees, I want to ask you a few more questions, because you stated you believed in the ballot as a means of correcting the evil. Why did you not shut down your mines and bring an action against any peace officer that was derelict in his duty for malfeasance or misfeasance in office, and have him put out?

Mr. ROCKEFELLER, Jr. Mr. Chairman, the officers of the company will have to answer that. I can not.

Chairman WALSH. I believe you understand they have, in Colorado, what is known as the initiative, referendum, and recall of public officers?

Mr. ROCKEFELLER, Jr. I have so heard.

Chairman WALSH. You have so heard?

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. Now, if the law was not adequate to permit you to run your property, to carry on the operations of your coal mines in peace, and the governor was not affording you the protection charged by Mr. Bowers in your letter, why did you not shut down your mines and immediately have petitions circulated in the counties of Colorado to recall the governor and then have an election or have an election to put a governor in who would protect your property and the lives of your employees?

Mr. ROCKEFELLER, Jr. That is a question that the officers of the company would have to answer, Mr. Chairman.

Chairman WALSH. Suppose now that an emergency arose, such as you have suggested here. You say anything that interferes with the democratic form of government is always to be deplored and avoided absolutely, unless protection to lives and property is necessary in an emergency situation, and that in such a situation that some immediate action must be taken. Do you believe that a situation may arise calling for the protection of lives and property immediately without holding an election?

Mr. ROCKEFELLER, Jr. I have stated the instance of the burglar with the revolver at my head.

Chairman WALSH. If a burglar got into your house and the life of yourself—and of course what you would do to protect yourself you would do to protect your family, as you stated in New York?

Mr. ROCKEFELLER, Jr. I think any man would.

Chairman WALSH. I think any man would if he was not lacking in the common, ordinary impulses.

Mr. ROCKEFELLER, Jr. But this point must be borne in mind, Mr. Chairman. My statement was if the man appears with the revolver at your head, about to pull the trigger—

Chairman WALSH. Must he have his hand on the trigger?

Mr. ROCKEFELLER, Jr. I have stated the principle twice, and I will be glad to state it again, and upon which only, I think, a man is justified in opposing an officer of the law. If his life is immediately in danger; so that if he takes no action his life is about to be taken, and if he feels that the situation is such that when he is brought before a court of justice, to defend his action, the circumstances will, in the eyes of the judges before whom he appears, lead them to acquit him of the act which he has performed, then, I think he is justified in taking that action.

Chairman WALSH. What I was asking you particularly about is that you would use the same means to defend a member of your family, looking to you for protection, as you would for yourself?

Mr. ROCKEFELLER, Jr. I would defend my family; yes.

Chairman WALSH. And if the danger was imminent and impending, at the time, you would not consider the question of attempting to circulate a petition to recall the officials, would you?

Mr. ROCKEFELLER, Jr. Not if my wife or my children were to be killed.

Chairman WALSH. Would be in immediate danger—you would not think of falling back on the constitutional provision that you have a right to circulate a petition to recall the official?

Mr. ROCKEFELLER, Jr. I would fall back on the right possessed by any citizen.

Chairman WALSH. The right of any citizen to defend the lives of your own loved ones—you would defend them?

Mr. ROCKEFELLER, Jr. I would.

Chairman WALSH. And I believe you have also stated—but I will sum it up briefly, to see if I understand you—that you have a right to arm yourself in advance, if you think you are going to be attacked, have you not?

Mr. ROCKEFELLER, Jr. In the State in which I live, one has not the right to arm one's self without a permit. I do not know what the law is in other States.

Chairman WALSH. You are not allowed to have a revolver in your house?

Mr. ROCKEFELLER, Jr. Not under the Sullivan Act.

Chairman WALSH. The Sullivan Act requires you to have a permit to have a firearm in your house?

Mr. ROCKEFELLER, Jr. So I understand.

Chairman WALSH. I thought it was directed against concealed weapons, but you are familiar enough with it to say that under the Sullivan Act a person can not have or own firearms?

Mr. ROCKEFELLER, Jr. That is what I have understood. I do not wish to vouch for that, but that is my impression of the law.

Chairman WALSH. We will take the State of Pennsylvania or the State of Colorado. We will take a State where there is a constitutional provision that the right of the people to carry arms and have arms in their possession shall not be invaded. I understand that is the law of Colorado, that there is a constitutional provision that they shall have a right to bear arms?

Mr. ROCKEFELLER, Jr. I do not know about that.

Chairman WALSH. But if that was the case, you would certainly say that a man who was meditating an attack would have a right to arm himself in advance to repel the attack?

Mr. ROCKEFELLER, Jr. I say men would be justified in taking such measures to prevent their own death, when death was imminent.

Chairman WALSH. I will not read the case in Colorado over again, but there was a case in which, before any strike was called, the company had arms on hand. Now, those were your executive officials—Mr. Mattison; you remember him, don't you?

Mr. ROCKEFELLER, Jr. No, sir.

Chairman WALSH. Don't you know he is your assistant superintendent out there?

Mr. ROCKEFELLER, Jr. I do not know that, Mr. Chairman.

Chairman WALSH. As far as you are personally concerned, he might be a very bad man, and you not know that at all?

Mr. ROCKEFELLER, Jr. I hardly imagine it, knowing our executive officers, who must know him very well.

Chairman WALSH. I will say, Mr. Mattison was your assistant superintendent there at that time, and it was testified before the various hearings of the commission that he was out there getting information upon which you might subsequently act. It was testified that he was your assistant superintendent. We will assume now that you know he was your assistant superintendent.

Mr. ROCKEFELLER, Jr. I am willing to assume that from your statement.

Chairman WALSH. On my statement backed up by the investigations made by various commissions.

Mr. ROCKEFELLER, Jr. I am entirely willing to accept it on that statement.

Chairman WALSH. He was assistant superintendent, and arms were on hand and provided before there was any strike. Now, would you say he was justified in having those arms on hand, if he had reasonable cause to anticipate that assaults were to be made upon himself or the employees of the company or that the property rights of the company were to be invaded by an armed force?

Mr. ROCKEFELLER, Jr. I am not attempting to pass, Mr. Chairman, upon the acts which the officials of the Colorado Iron & Fuel Co. have performed.

Chairman WALSH. But you would say—

Mr. ROCKEFELLER, Jr. (interrupting). They have done what they thought was right, knowing the circumstances.

Chairman WALSH. And if they thought it was right to provide themselves with arms and ammunition to repel assaults, that they felt sure would come, to protect their property against these attacks, that they felt sure would be made, you would back them up in their proposition?

Mr. ROCKEFELLER, Jr. If I had any reason to believe that the officers of the company were not doing what they thought was right, knowing the circumstances as I do, I would take such steps as I could to change things.



Chairman WALSH. But if you thought that their property was about to be taken, or their lives, you think that arms in their hands to protect themselves and their employees and their property under those conditions—

Mr. ROCKEFELLER, Jr. They would have to determine that.

Chairman WALSH. I would like to have you say as a citizen. In addition to this Colorado situation, we are trying to get the views of the most prominent men in the country, business men, controllers of large investments, college men, lawyers, and public officials, as to this whole question of violence, and the application of the law in industrial matters, and I would ask you for your opinion as a citizen, having under your control very large investments, as to the right and propriety of persons to have arms with which to protect the property under their charge, and their lives, and the lives of those that have a right to look to them for protection.

Mr. ROCKEFELLER, Jr. Mr. Chairman, unless I know in each instance all of the facts, as a man on the ground knows them, I would not be able to answer that question. You have stated that the laws of Colorado would raise any man to violence.

Chairman WALSH. But that being true, and your officers contemplating, the men that were employed by you contemplating the attack upon their property or lives, would it not be their duty to arm themselves to protect their lives and property?

Mr. ROCKEFELLER, Jr. They would have to decide about that.

Chairman WALSH. Would you not, please, outside of your connection with the Colorado Fuel & Iron Co., give us your views as a citizen? Outside of our investigation, we are required to make recommendations in regard to the situation, and there are certain of the members of the committee that are applying themselves with great assiduity to the formation of suggestions for the State and the Government to control the agencies and forces for the protection of life and property, and to throw light on that, would you please give me your opinion as a citizen, whether or not it is proper for persons that have property in their charge to keep arms and ammunition on hand for the purpose of protecting that property and protecting the lives of their employees and their lives against assaults from armed bodies of men that they have every reason to believe are armed and are about to assail their employees?

Mr. ROCKEFELLER, Jr. I have expressed my opinion, and I think I demonstrated in the three days in New York before this commission and during the past days here that I want to give the commission all of the information in my possession with reference to the subject of their inquiry. I have done everything that I could in my power to assist their inquiry. Where I have an opinion I am glad to express it, but where the questions are based on specific instances, where the facts in the case enter in, I do not feel prepared to say what a man should do in a certain position, in which he has the facts and I have not.

Chairman WALSH. I am asking for the general opinion, if you will give it, whether or not you believe it better under present conditions for those having property in their charge of their own and belonging to others to which they bear a trust relation, to have the right, and it is not proper for them to keep arms on hand to protect that property and also the property of their own, and protect their lives from assaults that may be made upon them, or attacks upon their property for any felonious purpose?

Mr. ROCKEFELLER, Jr. As it has been stated, it would depend upon the laws of the State first, and second, upon the conditions, and I can not express any further opinion.

Chairman WALSH. I have to go back, because I think I have a very illustrating case from the actual field in Colorado with regard to the time that a man ought to use violence to protect his own life, and I believe you stated this morning that you could not act until the man's hand is on the trigger, or do I draw that too strong?

Mr. ROCKEFELLER, Jr. A little too strong, because I said, in qualifying that, that he must be prepared to justify his action in a court of justice; he should be able to justify it in the eyes of his fellow men before the judge of the court of justice.

Chairman WALSH. And in addition to having his hand on the trigger, he must also be prepared to justify himself in a court of justice?

Mr. ROCKEFELLER, Jr. That is what I have stated before four times.

Chairman WALSH. Then I will read you this and ask you if after hearing this case you might not change your opinion as to the time a person ought to act to save their lives.

Mr. ROCKEFELLER, Jr. The point was, When should a man be justified in resorting to violence?

Chairman WALSH. Yes, sir; in defense of his own person.

Mr. ROCKEFELLER, Jr. Yes, sir.

Chairman WALSH. Now, with the finger on the trigger that you advanced, I want to read you from the testimony of Gov. Ammons.

Mr. ROCKEFELLER, Jr. I want to say, as you yourself have said, that was a figure of speech, Mr. Chairman.

Chairman WALSH. Yes, sir; that is what I tried to straighten out, but you added to it, having in consideration that he should justify himself before a court, and I want to be fair and say that I took that as a figure of speech.

Mr. ROCKEFELLER, Jr. What I meant was that a man should be so guarded that if he did not act that his life might be taken, and in addition to that justification, that he should be prepared to defend his action before a court of law, and unless he felt that the situation was such as to justify him before such a court, then he would have no right to act.

Chairman WALSH. Now, you will admit, will you not, that the circumstances under which a man must judge whether his life is in danger or not would be different under different circumstances?

Mr. ROCKEFELLER, Jr. I have laid down a principle that would apply in all cases, and I do not feel that I need to undertake to interpret that principle in the specific instances. I have, with reference to different questions, enunciated as clear as I could my general beliefs and principles, and those are the principles and beliefs that govern my own actions, and beyond that I can not add anything of material value.

Chairman WALSH. I want to read you the testimony of Gov. Ammons in Colorado and see whether or not you might modify your opinion as to the exact time—

Mr. ROCKEFELLER, Jr. It is not a question of time, but the conditions which I have mentioned.

Chairman WALSH. I will read you this without any preliminaries, so I am going to get this read and then ask you about it. This is from the testimony of Gov. Ammons:

"There was another, a nonunion miner, tried to break through the picket lines one night"—

That was the picket lines of the militia, you understand, not the strikers'—

"There was another, a nonunion miner, tried to break through the picket lines one night, and it was dark, and the young fellow on guard on the picket line tried to prevent his coming through, and, not knowing whether the man was trying to take advantage of him or not, had cocked his gun, and he prodded him with his bayonet and perhaps touched the trigger, probably, and in some way the gun was fired and it killed the fellow."

Now, in view of that, don't you think that circumstances arise in which a man would be justified in acting before it got so far as the person having the gun touching the trigger?

Mr. ROCKEFELLER, Jr. I have stated the principles that would govern and I am not prepared to answer that.

Chairman WALSH. On this general question of people arming themselves and corporations arming themselves to protect their property and their lives I call your attention to a part of the record of this commission. When Mr. Atterbury was on the witness stand, the vice president of the Pennsylvania Railroad Co., in which company you say you are a stockholder, he was asked certain questions which were referred to Mr. Long, the general manager. My impression is that among the questions asked him was whether or not their company maintained firearms and ammunition for use by their employees in emergency cases. I think he referred it to Mr. S. C. Long, who stated, if I recollect his testimony, that there were some arms and ammunition in the safe in Philadelphia. We had Mr. Chinnery, of our staff, collect data, and we asked Mr. Long, through him, to transmit to us a statement as to the arms and ammunition they had. We find this in a letter:

"Referring to the question raised at the hearing at Washington, Friday, May 7, at which time you asked Mr. J. C. Johnson, superintendent of telegraph, to furnish you a statement of arms and ammunition stored on the system for emergency use, we find that the purchasing agent has in stock in his rooms at Philadelphia 5,113 revolvers, 130 shotguns, 64,107 cartridges, 1,041 riot clubs.



This material is furnished on regular requisition when needed and is used when a strike is in progress and then collected and again stored after the trouble is over."

Do you believe it is proper, if there is nothing in the law to forbid it, for a corporations to have firearms to be used in emergency purposes?

Mr. ROCKEFELLER, Jr. I have never been the superintendent or executive officer of any corporation, Mr. Chairman, and I have not had experience in dealing with such problems, and I have no opinion to express in regard to it.

Chairman WALSH. Speaking of violence again for a moment, do you consider a happening of preventable accidents in mines in which human beings are killed a form of violence?

Mr. ROCKEFELLER, Jr. I had never thought of it in that light. I should not say so.

Chairman WALSH. It has been stated here by numerous witnesses—one whose testimony is very strongly in my mind—that every accident that could have been prevented by reasonable precaution on the part of the owner of the mine which costs a miner his life, the intelligent workmen believe to be criminal and a form of violence against them. Do you agree with that?

Mr. ROCKEFELLER, Jr. I have not formulated an opinion on that subject, Mr. Chairman.

Chairman WALSH. You are a director of a mining company which has thousands of men working underground?

Mr. ROCKEFELLER, Jr. I am a director in a company which owns and operates mines.

Chairman WALSH. Does it have thousands of men working underground?

Mr. ROCKEFELLER, Jr. They are working in the mines; yes.

Mr. WALSH. You have received information from time to time of explosions which occurred in those mines, in which men working for your company met with death in horrible form, have you not?

Mr. ROCKEFELLER, Jr. That is a circumstance which unfortunately happens in connection with any kind of mining.

Chairman WALSH. That is, the miners were burned and suffocated?

Mr. ROCKEFELLER, Jr. And death has resulted. Every effort is being taken and, as has been the case always, has always been taken by the officers of the Colorado Fuel & Iron Co. to reduce to the lowest possible point the risk of injury.

Chairman WALSH. You have heard it stated time and again, have you not, and read that there are more deaths in mine accidents in Colorado than from any other State in the Union, proportionately?

Mr. ROCKEFELLER, Jr. I rather think that statement has a familiar sound. That it is true, I do not know, nor do I believe.

Chairman WALSH. Did you ever look up, as director of the Colorado Fuel & Iron Co., how many men had been killed in your mine in the last five years?

Mr. ROCKEFELLER, Jr. I have not. The officers of the company are doing everything they can to prevent death. Beyond that I hardly see what could be done.

Chairman WALSH. Do you know how many explosions have occurred in your mines within the past three years?

Mr. ROCKEFELLER, Jr. I do not.

Chairman WALSH. Do you know how many explosions have occurred in your mines or the mines of your company within the past year?

Mr. ROCKEFELLER, Jr. I do not keep posted on that, Mr. Chairman.

Chairman WALSH. You do not know?

Mr. ROCKEFELLER, Jr. I do not.

Chairman WALSH. You are a director of the Colorado Fuel & Iron Co. When you hear of an explosion in which a great number of lives are lost, do you not attempt to find out how many men were killed—that is, of your own company? Personally, do you not try to find out how many men were killed and what caused the killing?

Mr. ROCKEFELLER, Jr. As a director of the company I have done what was my duty in selecting officers or helping to select officers whom I regarded as most competent to deal with such questions and to deal with them much more wisely and successfully than I could. I mean by successfully to prevent accidents because of their knowledge of conditions. I feel that I am doing a greater service in the selection of such men and leaving with them the questions pertaining to the prevention of accidents of every kind than as though I were to undertake myself to go into the matter.

Chairman WALSH. Suppose you heard of explosion following explosion, where many lives were lost, and you have this great responsibility as a director, which you stated you were willing to take, do you not believe that you ought to at least know the number of men that were killed?

Mr. ROCKEFELLER, Jr. I undertake to discharge the responsibility which is upon me in the way which, according to my best judgment, is wisest. Beyond that I do not believe it is possible for any man to go.

Chairman WALSH. When you hear a number of men have been killed in a mine, do you inquire their names?

Mr. ROCKEFELLER, Jr. I have not done that.

Chairman WALSH. Do you ever inquire whether or not they have families?

Mr. ROCKEFELLER, Jr. I have not undertaken to investigate, Mr. Chairman, the details of matters pertaining to such questions.

Chairman WALSH. Do you inquire as to their social surroundings?

Mr. ROCKEFELLER, Jr. Those are all matters which the officers of the company are much better fitted than I to deal with in the wisest and best way.

Chairman WALSH. Do you inquire how much the company paid these men as compensation?

Mr. ROCKEFELLER, Jr. As a director, Mr. Chairman, my experience has been that when officers have been appointed to operate companies, they must be given responsibilities, and they must be free, so long as they are worthy of trust. I repose such confidence in the men whom I have had a part in selecting, and I find that that is the way to conduct business. That is the ordinary, and, I feel, a more sensible way, so far as the interests of the employees are concerned, than as though I were myself to try to deal with technical questions.

Chairman WALSH. Do you think that injustice is ever done by executive officers toward the families of miners who lose their lives in the mines?

Mr. ROCKEFELLER, Jr. I suppose that injustice is done in the various walks of life.

Chairman WALSH. But I mean in that particular line by the executive officers.

Mr. ROCKEFELLER, Jr. I don't know, Mr. Chairman. I only know that every effort is being made by the officers to see that justice is done and to prevent injustice.

Chairman WALSH. If you knew that explosion after explosion took place in your mines, do you not think it would be your duty personally to inquire into the cause of the deaths and what compensation is paid to the survivors of the dead so that you would have the personal knowledge, even though you went to the executive officers to find it out?

Mr. ROCKEFELLER, Jr. I would take such steps, Mr. Chairman, as seemed to me right and wise in the performance of my duty.

Chairman WALSH. Mr. McCorkle has information that he claims to have received from the miner; that is, that the miner complained—it was a fire boss—that there was too much gas in the chambers and that an explosion was likely to take place, but that notwithstanding that the miners were ordered back into the place and the mine did explode and killed 56 men. Did you hear that statement by Mr. McCorkle?

Mr. ROCKEFELLER, Jr. I did not hear that testimony; but I know that try as hard as the officers and superintendents of a mining company will to prevent accidents, it is often an exceedingly difficult thing to enforce regulations on the men themselves to make them careful not to take risks and not involve other men in risks. The officers do everything in their power to prevent accidents. The men who are in charge are as regretful as anyone could be when accidents happen and as anxious as anyone could be to prevent accidents. They are doing all they can, Mr. Chairman, to prevent such accidents.

Chairman WALSH. Do you believe that men go in those mines and take chances ever through economic necessity on account of their requirements for housing, food, and raiment for themselves and their families and take chances they would not otherwise take?

Mr. ROCKEFELLER, Jr. I suppose any man who goes into the mining business realizes that he does that.

Chairman WALSH. But do you not think—you are complaining and saying that the workmen themselves take chances. Do you not believe that in many instances they take those chances through the force of economic necessity?

Mr. ROCKEFELLER, Jr. I do not recall having said that they take chances. What I said, Mr. Chairman, was that men are very careless about observing the requirements and regulations which prevent or help to prevent accidents. The



men themselves are often very careless in matters of that kind. That was my statement.

Chairman WALSH. Is it the first duty upon the managers of mines to make them safe before the men go into them?

Mr. ROCKEFELLER, Jr. It is the highest duty of the managers of mines to do everything they can to make the mines as safe as possible.

Chairman WALSH. I will ask you the direct question: Now, if an explosion occurs in the mine from causes which could have been prevented by a reasonable outlay of energy and care on the part of the mine managers, in which human life is lost, do you not believe that that is violence against the persons of those miners and against the rights of their survivors?

Mr. ROCKEFELLER, Jr. I believe that every effort should be made to prevent accidents, Mr. Chairman. I am not prepared to make an answer to the other question which you have presented.

Chairman WALSH. If a specific case were brought to you of the deaths of miners caused by the negligence of your employees, known to the executive officers, in which lives were lost, would you then make a personal investigation to find out the actual names of the men that were killed, the facts leading up to their deaths, and all the details surrounding it?

Mr. ROCKEFELLER, Jr. I would always take such steps as might seem to me to be wise and proper in the performance of my duty as a director, Mr. Chairman.

Chairman WALSH. What is that?

Mr. ROCKEFELLER, Jr. I would always take such steps as might seem to me wise in the performance of my duty as a director.

Chairman WALSH. As a director, when your attention was called to the fact—alleged fact—that injustice was done by your executive officers; that they were negligent; and that it did cause destruction of life and crippling of limbs; would you look into that personally to find out whether they were negligent or not, or would you still say, as a director, “I would leave it all to the executive officers whom I might pick out”?

Mr. ROCKEFELLER, Jr. If I had reason to believe that negligence was existing which might cause accident or loss of life, or distresses of any kind, I would take what steps might seem to me wise to see that that negligence was ended.

Chairman WALSH. Have you not received communication after communication from persons claiming to have been injured in Colorado in your mines, or from their survivors, pointing out injustices that have been done them?

Mr. ROCKEFELLER, Jr. I do not recall the receipt of more than one, and that was the one—possibly two; one of them was the case that you spoke of in the hearing in New York.

Chairman WALSH. One that we called your attention to—Mr. Dalton's case.

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. And what was the other one?

Mr. ROCKEFELLER, Jr. I don't recall what the other was, but I have an impression that I had some letter in regard to an injury.

Chairman WALSH. You did not answer the letters that those people wrote you?

Mr. ROCKEFELLER, Jr. I—

Chairman WALSH. Did you?

Mr. ROCKEFELLER, Jr. Are you asking the question?

Chairman WALSH. Yes; I am asking the question. I am putting it in a very leading form. I want you to answer that.

Mr. ROCKEFELLER, Jr. You want me to answer?

Chairman WALSH. Please.

Mr. ROCKEFELLER, Jr. With reference to the matter the commission brought to my attention in New York, I caused a careful investigation to be made at once. With reference to the other matter, I referred it at once to the president of the company and received from him a report in regard to it.

Chairman WALSH. But you have not answered my question. You did not answer these letters that these people wrote you?

Mr. ROCKEFELLER, Jr. I can not recall whether I answered or not the people who wrote, but I took immediate steps to investigate the claims, and in both instances found out that the claims made in the letters in regard to improper treatment were not justified.

Chairman WALSH. Have you a definite policy by which you refuse to place yourself in personal connection with anything disagreeable in connection with the Colorado Fuel & Iron Co., such as the loss of life, or the prosecution of any criminal acts, and the like?

Mr. ROCKEFELLER, Jr. I have not.

Chairman WALSH. When you receive letters such as Mr. Dalton claims he wrote you, registered letters, have you a system by which you turn them over to some one else, and do not answer them directly?

Mr. ROCKEFELLER, Jr. I use whatever means, Mr. Chairman, may seem to me right and wise in order to get at the facts in the case.

Chairman WALSH. Do you recall the telegram that was submitted to you during the progress of our last hearings from Mr. Harris N. Hawkins, the attorney in Denver, Colo.? Do you know Mr. Hawkins?

Mr. ROCKEFELLER, Jr. I do not.

Chairman WALSH. Do you know who he is?

Mr. ROCKEFELLER, Jr. I do.

Chairman WALSH. Do you know that he is the attorney for the United Mine Workers of America; that he defended Mr. Lawson, and Mr. Zancannelli and these other men who have been on trial in Colorado, and has represented them for some time and is a highly respectable and very able lawyer of Denver, Colo.?

Mr. ROCKEFELLER, Jr. I know that he is an attorney of the United Mine Workers of America.

Chairman WALSH. Would you not agree to the rest, that he is a highly reputable and respectable lawyer of Denver, Colo., by reputation?

Mr. ROCKEFELLER, Jr. I know nothing of his reputation, and have no reason to suppose that he is not all that you declare him to be; but of my personal knowledge I know nothing about him.

Chairman WALSH. Know nothing of him but by reputation?

Mr. ROCKEFELLER, Jr. Nothing but by reputation.

Chairman WALSH. Haven't you heard his reputation as a lawyer and man?

Mr. ROCKEFELLER, Jr. I have not.

Chairman WALSH. I will ask you if during the hearings in New York a telegram was not sent to this commission—have you a telegram there or a copy of it?

Mr. ROCKEFELLER, Jr. I have not a copy of the telegram.

Chairman WALSH. Well, I will try to state the substance.

Mr. ROCKEFELLER, Jr. I recall the substance of it, Mr. Chairman.

Chairman WALSH. You saw the telegram, did you?

Mr. ROCKEFELLER, Jr. I did. [Here a paper was handed to the witness.] This is copy of the telegram.

Chairman WALSH. May I see it, please. I have not my copy with me.

Mr. ROCKEFELLER, Jr. This is not a copy of the telegram. This is a copy of a telegram—the copy of the telegram appears in a telegram which I sent at once to Mr. Welborn upon the receipt of that telegram from the commission. I telegraphed Mr. Welborn at once, embodying that telegram in full, and I received from Mr. Welborn a reply in regard to the matter which, if you care to have me read, I will read.

Chairman WALSH. Well, I don't care for you to read it unless it is your desire to read it. The point I am trying to draw out is the fact, if it be a fact, that you have a way of personally avoiding all direct relations of all kinds to these more or less deplorable subjects where life is lost or where there is a charge of abuse of the law and everything of that sort. In other words, my inquiry—and I wish to say this respectfully—that I am inquiring whether or not you have all the power you say you have as a director and that you have a system of not taking the personal responsibility of these things, but of saying, "we," and "our associates," and referring disagreeable things to others and not coming in direct touch with them yourself?

Mr. ROCKEFELLER, Jr. I have no policy in such matters, Mr. Chairman. I undertake to deal with each case in the way that seems to me wise and best and most just.

Chairman WALSH. Do you recall the case where complaint was ever made to you by any other citizen of this country working in one of your industries in which you were a stockholder or director, in which you wrote him a direct answer over your own signature?

Mr. ROCKEFELLER, Jr. I can not recall receiving other such letters, Mr. Chairman.

Chairman WALSH. Except those we have presented to you?

Mr. ROCKEFELLER, Jr. No; the one you called my attention to in New York, and the other that I spoke of as having received. I do not say that I have not, but I can not recall having received other letters of that kind.



Chairman WALSH. Well, at any rate, you knew Mr. Hawkins, did you not? Mr. ROCKEFELLER, Jr. I knew of Mr. Hawkins.

Chairman WALSH. Yes; you knew of Mr. Hawkins?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. Mr. Hawkins sent a telegram—may I look at the telegram you have there?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. And I will also look at the other matter, and if it will add to our record I will thank you to leave it.

Mr. ROCKEFELLER, Jr. Well, Mr. Hawkins's telegram is repeated in full in that telegram to Mr. Welborn.

Chairman WALSH. May I look at the other telegram? I will not say whether I will want it for the record or not.

Mr. ROCKEFELLER, Jr. Yes; it may be filed. It is included in the telegram to Mr. Welborn. You will see the quotation.

Chairman WALSH. I see the quotation.

Mr. ROCKEFELLER, Jr. I thought perhaps it was not marked.

Chairman WALSH. I will read you this telegram, which was addressed to myself as chairman of the commission while we were sitting in New York.

"On November 8, 1913, a battle occurred"—

This is a telegram from Horace N. Hawkins to our commission—"near La Veta, Huerfano County, between mine guards of Oakdale Coal Co. and striking miners, resulting in death of three guards and chauffeur of automobile in which guards had been riding. Company claims its men were ambushed; strikers claim they did not fire until guards attacked them. Murder charges against strikers removed here for trial and trials as begun January 4; on that day the appearance was entered for the prosecution of Thomas H. Devine, the regular retained counsel of the C. F. & I. at Pueblo, Charles C. Hayden, for many years representative of said company in Huerfano County, and Jesse G. Northcutt, the leading counsel for said company concerning strike matters. Mr. Rockefeller's company owns no interest in Oakview property, but is employing and paying attorneys who are openly conducting and controlling the prosecution, affidavits so charging filed January 4 have not been and will not be disputed. Detectives employed by C. F. & I. have been in attendance assisting said attorneys, including Walter Belk, of the Baldwin-Felts strike-breaking agency, and Jeff Farr, the C. F. & I. sheriff of Huerfano County. Large numbers of the nonunion employees of the Rockefeller Steel Plant are on jury list, and the Rockefeller attorneys are striving to qualify them as jurors notwithstanding the bitter feeling that has existed in numbers of other cases against the strikers growing out of the strike where alleged offenders are yet to be tried and in which neither Mr. Rockefeller's company nor his employees were concerned. Mr. Rockefeller's attorneys have entered their appearance, openly announced that they are going to conduct the prosecution. I respectfully submit that Mr. Rockefeller should be asked if he knows of these things and approves of them. Why should Mr. Rockefeller's company, after the strike is over, pay attorneys to prosecute men whose alleged offenses were not against either the property or employees of his company? Will not such conduct on the part of Mr. Rockefeller's company, after the strike is over, tend to keep alive bitterness already aroused and render ineffective any proposed plans of conciliation? You are authorized to make public this message.

HORACE N. HAWKINS,

*Attorney for Defendants.*

I will ask you now, Mr. Rockefeller, if it is not a fact that that telegram was immediately transmitted to you at your office, 26 Broadway, New York, with a letter from myself stating that after conference with other members of the commission, we had concluded not to recall you to the witness stand, you having been on the witness stand for about three days, but you were asked to make whatever comment you wished to make upon that message, and if the only reply that any member of this commission or the commission as a whole ever received was a few lines from Heydt, simply saying that in the absence of Mr. Rockefeller your telegram of such a date was received and signed by C. O. Heydt, secretary? That is all, so far as the public knows, as to any action that you took upon the appeal of Mr. Hawkins at that time?

Mr. ROCKEFELLER, Jr. I assume, Mr. Chairman, that what I did, namely, to send that telegram at once to Mr. Welborn upon my return to the city, was the very best thing that I could do under the circumstances, I assumed that the

commission was desirous that I should make inquiry in regard to the facts. That I did.

Chairman WALSH. What comment did you make on it to the commission?

Mr. ROCKEFELLER, Jr. I certainly meant no discourtesy to the commission.

Chairman WALSH. I did not mean that it was discourteous, but I am trying to establish if it is a fact that you have a way of not taking personal responsibility for anything in connection with the Colorado Fuel & Iron Co., and you do it as a part of a policy, or intentionally? Now, you were asked to make comment, and you never did make any public comment on it, or any comment to the commission.

Mr. ROCKEFELLER, Jr. The acknowledgment of the letter, Mr. Chairman, I think, is the only reply that was made to the commission. I assumed that the action I took would be the action which would meet with the approval of the commission and of the public.

Chairman WALSH. How is that?

Mr. ROCKEFELLER, Jr. I assumed that the course which I pursued would be the course which would meet with the approval of the commission and the public.

Chairman WALSH. That was a very definite charge, was it not, that your money was being used, or money of your company was being used to do something that you have condemned here on the witness stand, that is, taking the part of private persons in public prosecutions. You condemn that, don't you?

Mr. ROCKEFELLER, Jr. I certainly do.

Chairman WALSH. You have it in the paper here. Your attention was called to a specific case, and you are director of that company, and let me see if this is what you did:

"NEW YORK, January 30, 1915.

"J. F. WELBORN,

"President Colorado Fuel & Iron Co.,

"Boston Building, Denver, Colo.

"Chairman Walsh has sent us a copy of telegram addressed to him"—

And then you quote the telegram. That is all you said to Mr. Welborn?

Mr. ROCKEFELLER, Jr. That is all I said in the telegram.

Chairman WALSH. Notwithstanding you thought it was wrong to do that, you would not even tell your own executive officer you thought it was wrong?

Mr. ROCKEFELLER, Jr. Mr. Chairman, you are jumping to a conclusion. Mr. Welborn was about to come to New York.

Chairman WALSH. Yes.

Mr. ROCKEFELLER, Jr. As soon as Mr. Welborn reached New York, which was a short time after this—he was expecting to come to New York the first week in February but was delayed from day to day, because of certain matters that he had on hand—but as soon as Mr. Welborn reached New York I discussed the matter very fully with him, as did others of my associates in their individual conferences with him, stating very clearly our disapproval of any such actions, and leaving no question in Mr. Welborn's mind as to our attitude as to what we felt was right and just and should be done. Just as soon as I heard that the trial of Mr. Lawson was coming up, although I had stated and my associates had separately stated to Mr. Welborn so fully our views, and we had received his expression of opinion—just as soon as I heard of that—I think I was in the country at the time—I telephoned to one of my associates and asked him to call Mr. Welborn up on the long-distance telephone at Denver and assure himself and myself that the views which we had expressed, with which Mr. Welborn agreed, were being carried out with reference to the trial of Mr. Lawson. Mr. Welborn assured us that the company, as I have stated to you, was taking no part in any way in the prosecution of the case, nor would it in the prosecution of any other cases. I have read to you, in my statement, a statement made by the attorney general of the State of Colorado, stating that that was the fact, and I have expressed without reserve my belief absolutely in principle that the administration of justice should remain solely in the hands of the State, and my purpose has always been to do everything within my power to see that that principle is carried out.

Chairman WALSH. And you urged that upon Mr. Welborn when he came to New York?

Mr. ROCKEFELLER, Jr. I stated it very fully to him.

Chairman WALSH. And Mr. Welborn agreed with you? [No response.] And Mr. Welborn agreed with you that it was the fair, right, and proper thing to do?



Mr. ROCKEFELLER, Jr. I do not recall whether Mr. Welborn agreed or not.

Chairman WALSH. But when he went back, in the Lawson case, he did not have the lawyers appear in the case, so that he must have taken your opinion in the matter or agreed with you?

Mr. ROCKEFELLER, Jr. He certainly did agree with me.

Chairman WALSH. As a matter of fact, don't they always agree with you, no matter how mildly you put it—"I would suggest, for instance, that perhaps it would be better for the cause of justice not to have Mr. Northcutt appear in case"—that is not a command, but very pleasantly stated, but when you state it to one of the directors, you owning the stock and having a control in the board of directors, that this executive officer, who is also a director, usually does whatever you suggest?

Mr. ROCKEFELLER, Jr. We have 3 out of the 11 members of the board of directors who are representatives of our holdings—of my father's holdings.

Chairman WALSH. How many directors have you in New York, who live outside of Colorado?

Mr. ROCKEFELLER, Jr. The three directors that are the representatives of my father's holdings are in New York—Mr. Murphy, Mr. Lee, and myself.

Chairman WALSH. How many directors, regardless of your father's holdings, live outside of Colorado?

Mr. ROCKEFELLER, Jr. I should have to count them; there are those three, Mr. Gould, and an associate of his, who until recently has been a director.

Chairman WALSH. What Mr. Gould?

Mr. ROCKEFELLER, Jr. George Gould.

Chairman WALSH. Are you interested with Mr. Gould in railroad properties—yourself and father?

Mr. ROCKEFELLER, Jr. You mean have we investments in properties which his family have investments in?

Chairman WALSH. Yes, sir.

Mr. ROCKEFELLER, Jr. We have.

Chairman WALSH. And Mr. Gould and his son Kingdon were directors?

Mr. ROCKEFELLER, Jr. No, sir; he was on the board until recently, when he resigned, and also a further representative of his interests, Mr. Jeffries, who recently resigned.

Chairman WALSH. Who else?

Mr. ROCKEFELLER, Jr. Mr. Ward.

Chairman WALSH. Who is Mr. Ward?

Mr. ROCKEFELLER, Jr. All of these matters were covered in my testimony in New York. Mr. Ward is the owner of some securities of the Colorado Fuel & Iron Co. and lives in New York, and Mr. McClement is another director living in New York.

Chairman WALSH. I have counted six, then.

Mr. ROCKEFELLER, Jr. Yes, sir; you said a majority of the directors.

Chairman WALSH. You said you had three, and I am taking the directors outside of Colorado. There are six outside of Colorado?

Mr. ROCKEFELLER, Jr. There are seven directors outside of Colorado.

Chairman WALSH. You have 11 directors altogether?

Mr. ROCKEFELLER, Jr. I think 11 or 13.

Chairman WALSH. So yourself and the Gould interests and Mr. McClement, whoever he may represent—in other words, the eastern directors—could get together at any time and outvote the Colorado end?

Mr. ROCKEFELLER, Jr. A majority of directors can always out vote the minority.

Chairman WALSH. So you really had the potential power to control the whole situation, and the size of your investments made your influence much greater than that of an ordinary director?

Mr. ROCKEFELLER, Jr. That I stated in the paper which I read in New York.

Chairman WALSH. Now, then, I am going to follow out the line of conduct now that was taken with reference to the situation, that you say was improper, and that Mr. Welborn then agreed with you was improper, to act in that way—

Mr. ROCKEFELLER, Jr. Mr. Chairman, would you be good enough to read the reply?

Chairman WALSH. Yes, sir; I am going to read that, but I want to get it chronologically, and logically as well.

Mr. ROCKEFELLER, Jr. Mr. Chairman, pardon me; that will give the chronological order, because those replies came in answer to the telegrams.

Chairman WALSH. How long after these telegrams came was it before Mr. Welborn got to your office in New York?

Mr. ROCKEFELLER, Jr. I don't recall.

Chairman WALSH. Was it weeks?

Mr. ROCKEFELLER, Jr. I think in the next month, but I also stated, Mr. Chairman, that Mr. Welborn's coming was put off from day to day because of affairs that detained him.

Chairman WALSH. I recall that very clearly. You sent the telegram containing this complaint of Mr. Hawkins—you quoted it, without any comment whatsoever—on January 30?

Mr. ROCKEFELLER, Jr. That is the telegram.

Chairman WALSH. You made no comment on it, but simply sent the telegram that Mr. Hawkins sent to me to Mr. Welborn?

Mr. ROCKEFELLER, Jr. If I had the copy, I could tell.

Chairman WALSH. I will say that you made no further comment in it except to say: "Chairman Walsh sent us the following telegram addressed to him."

Mr. ROCKEFELLER, Jr. That is a copy completely quoted in the telegram.

Chairman WALSH. And you made no comment whatever. Here is what Mr. Welborn said:

"JANUARY 31.

"Answering your telegram Saturday. Prosecution of La Veta, Huerfano County, murder trial is being conducted under supervision of J. J. Hendrick, district attorney of that county. His affiliations are with strikers. County commissioners of Huerfano County passed resolution authorizing Northcutt, Hayden, and Devine to assist Hendrick in prosecution of La Veta case. Neither Northcutt nor Hayden was ever our attorney previous to strike. At the beginning of the strike the coal operators jointly employed them to look after all matters relating to the strike. There are many indictments pending, growing out of violence during the strike, some relating to employees of one company and some to other companies. The coal operators conceive it to be their duty and they have been requested by the State authorities to assist in bringing to trial all persons who have participated in the atrocities connected with the strike. In taking this course the operators are simply doing what in justice they owe to their employees who have been subjected to all kinds of violence and to the wives and children of employees who were murdered at their regular working places. Attorney Devine is employed by coal operators in case now on trial. He is in general practice at Pueblo, where he represents us locally, and but a portion of his time is devoted to our business.

"J. F. WELBORN."

You did not answer that, did you? The incident stopped right there?

Mr. ROCKEFELLER, Jr. No, sir; I was expecting Mr. Welborn in New York.

Chairman WALSH. Now, on February 3 Mr. Welborn wired you:

"JOHN D. ROCKEFELLER, Jr.,

"26 Broadway, New York, N. Y.:

"Supplementing my telegram to you January 31. Mr. Hawkins, who has been and is defending the numerous persons indicted for violence or murder in connection with strike, has been attorney for United Mine Workers' organization for several years, and it is generally understood that that organization is paying him for his services, notwithstanding officers of the organization disclaim any connection whatever with the violence.

"J. F. WELBORN."

Now, that is all the correspondence that passed between you in reference to this until May 1, 1915, when we have a letter from Mr. Welborn inclosing a copy of telegram as requested by your secretary?

Mr. ROCKEFELLER, Jr. No, sir; that is not all the correspondence. I have a letter that I would be glad to read, if you will allow me.

Chairman WALSH. May I see the letter first?

Mr. ROCKEFELLER, Jr. It is a brief letter.

Chairman WALSH. May I see it, please?

Mr. ROCKEFELLER, Jr. May I read it afterwards?

Chairman WALSH. Certainly.

Mr. ROCKEFELLER, Jr. This is a letter which, after Mr. Murphy had the talk on the telephone with Mr. Welborn, to which I have referred—



Chairman WALSH (interrupting). I see it is dated April the 19th, and I am very much afraid I might break into the order in which I am presenting this to you, and when we get to that—

Mr. ROCKEFELLER, Jr. You have already referred to the letter of May 4, and skipped the chronological order.

Chairman WALSH. I prefer not to read it now. I have not read the letter, but have merely referred to it as the letter of May 6, and then I asked you if that was all of the correspondence. You said it was not; but I prefer not to read this now, and didn't read the other, and unless you make it a point that you desire to read it now and unless there is some compelling reason for getting at the truth that this should be read now, I would prefer that you read it later.

Mr. ROCKEFELLER, Jr. You said that was all of the correspondence, and I said it was not, and I would like to read the letter now.

Chairman WALSH. Unless you insist on it, I will ask you a few more questions.

Mr. ROCKEFELLER, Jr. I do not insist; I request.

Chairman WALSH. Then, I must respectfully decline the request.

Mr. ROCKEFELLER, Jr. It will be noted in the record that you have declined?

Chairman WALSH. Yes, sir; the stenographer takes down all of the proceedings that are going on here, and we are all responsible for our actions, the witnesses, commissioners, and all. I am going to ask you this question again: You gave me the particular date on which Mr. Welborn came to New York, and you had this conversation with him?

Mr. ROCKEFELLER, Jr. I do not know.

Chairman WALSH. Do you know between the date that Mr. Welborn came to New York, and April the 19th, the letter that you have just handed me, was written, that the trial of the La Veta leaders had been concluded, that, notwithstanding the efforts of your attorneys, these men were acquitted? That after that a new circuit or new judicial district was made, and a man named Zancannelli was put on trial, and that the Zancannelli jury hung, although he was tried before a gentleman acting as judge that was said to have appeared in other trials by your company as their attorney; that the Zancannelli jury hung, and the vote was 8 to 4 for acquittal, and another jury was taken up, at the request of your attorneys, from the streets, and not drawn from the wheel or the box, and that Zancannelli was thereupon convicted and sentenced for life, and that of that jury taken from the street to try the Zancannelli trial, there were 33 of them left to go on the panel to try Lawson, selected by your attorneys partially? Do you know those are facts?

Mr. ROCKEFELLER, Jr. I do not know that they are facts, and the letter of Mr. Welborn stated that the Colorado Fuel & Iron Co. had nothing whatever to do with the trial of Mr. Lawson.

Chairman WALSH. At this point, now, Mr. Rockefeller, I will be glad, if you care to do it, to have you read that letter.

Mr. ROCKEFELLER, Jr. (reading):

"NEW YORK, April 19.

"DEAR MR. WELBORN: We, at this end, are all much gratified to learn from my telephone conversation with you on Saturday that the criminal prosecutions in Colorado are being conducted solely by the attorney general and the public prosecutors, and that no counsel in any way connected with the Colorado Fuel & Iron Co. have appeared in the case or are taking any active part in the prosecution. We feel that this is the only correct policy. While the strike was going on, we insisted that the preservation of order was a matter for the exclusive consideration of the public authorities, and we refused, against considerable pressure, to purchase immunity from criminal attacks by negotiations with persons who were making them or threatening them. The same principle, of course, applies to criminal prosecutions, and our feeling has been very strong that they also should be exclusively in the hands of the public authorities. As soon as private interests, whether individual or corporate, participate by private counsel in the prosecutions, the proceedings begin to take on an appearance of private vengeance rather than of the impartial administration of justice. While we of course appreciate that it is much easier for us in the East, who were not in the thick of the fight, to look at this matter in a detached and impersonal way, we feel sure that you will know that our position is not due to any lack of sympathy with officers and men in Colorado, whose lives have been imperiled and some of whose friends and comrades lost their lives in the struggle. We have felt very clear in our own minds that the restoration of normal conditions and the reestablishment of industrial peace

will come quicker if the matter of vindicating the law is left wholly in the hands of the public authorities. We were therefore the more pleased to learn that you shared these views, and had already taken steps to see that they were carried out so far, at least, as our company was concerned.

"Very truly, Yours,

"STAR J. MURPHY."

May I ask for those other telegrams?

Chairman WALSH. Yes. I would like to have that letter, too. I want to ask a question about it.

I will ask if that letter does not furnish an exemplification of how the real power in New York expresses itself? Here was a complaint from Hawkins that your paid men were pursuing a course which he afterwards said savored of private vengeance, and that you believed it. He wired to you and you received a confirmation, I take it, of Mr. Hawkins's charge.

Mr. ROCKEFELLER, Jr. He wired to you, Mr. Chairman.

Chairman WALSH. He wired to me, yes, and I sent it to you, and you sent it to him.

Mr. ROCKEFELLER, Jr. I sent it to Mr. Welborn.

Chairman WALSH. You sent it to Mr. Welborn.

Mr. ROCKEFELLER, Jr. You said Mr. Hawkins wired to you.

Chairman WALSH. Yes; I was a little wrong there. Mr. Hawkins wired to me complaining of this attempt to take private vengeance. I transmitted the telegram to you, notwithstanding your feeling in the matter; you transmitted my telegram to Welborn without comment. Welborn wired back confirming what Mr. Hawkins had said about the employment of your private attorney in this prosecution. He wired you some additional information shortly thereafter. So they went on with the trial, and these men that were intended, or that might have been made the victims of private vengeance, escaped, the jury acquitting them. Then Mr. Welborn comes to New York. He has justified all that in the telegram by saying this is a murder of those faithful employees, that "We owe it to their families." Then he sent another telegram stating that Hawkins was attorney for the United Mine Workers of America, and they disclaimed violence in their justification. You say nothing in reply to that until he comes, and then you tell them what you think about this thing, that it looks like private vengeance, and then we get a letter on April 19 in which Mr. Welborn says to you—or then, to get it chronologically correct, Mr. Murphy telephones out to Mr. Welborn—but I left out one occurrence there.

After these men escaped and after your conversation with Mr. Welborn, the trial of Zancanelli took place. Zancanelli was tried for murder growing out of one of these strike matters, and tried before Mr. Granby Hillyer as judge. He was defended by Mr. Horace Hawkins. Mr. Northcutt and the other attorneys, who were at the trial and conviction of the La Veta men, also appeared in the trial of Zancanelli. The jury hung eight to four. An order was made to bring in a special venire of jurors right off the street. That venire was brought in. Zancanelli was immediately put upon his trial again, convicted, and sentenced to the penitentiary for life. Your attorneys all appeared in that case. They insisted upon selecting the jury in this way. The judge permitted the jury to be selected in this manner. Then there was a bunch of 33 of those jurymen held over to be used on the panel of John Lawson. John Lawson was put upon trial. He was the man that testified before this commission, and you read his testimony, did you not?

Mr. ROCKEFELLER, Jr. I did not.

Chairman WALSH. You did not read Lawson's testimony?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. You did not hear it?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. I am going to ask you if it has not been communicated to you that for vigor of mind and terseness of expression his testimony has not been equaled by that of any person who has been placed on this witness stand, and his apparent truthfulness. You have heard that comment?

Mr. ROCKEFELLER, Jr. I have not.

Chairman WALSH. Did you not read in the papers that he was a remarkable type—did not the papers say a remarkable type of American citizen, and showed great intelligence and apparent frankness in his testimony?

Mr. ROCKEFELLER, Jr. I do not recall that, Mr. Chairman.

Chairman WALSH. And you shook hands with him, did you not?

Mr. ROCKEFELLER, Jr. Yes; I had that opportunity.



Chairman WALSH. And you invited him to your office?

Mr. ROCKEFELLER, Jr. I did.

Chairman WALSH. And he called upon you at your office, did he not?

Mr. ROCKEFELLER, Jr. He did.

Chairman WALSH. And he appeared to be a frank and intelligent man, did he not?

Mr. ROCKEFELLER, Jr. He appeared to be both.

Chairman WALSH. And you heard he was an American whose ancestry reached back two generations, or one generation at least?

Mr. ROCKEFELLER, Jr. I did not take up with him the question of his ancestry.

Chairman WALSH. But he was a typical American, was he not, a clean looking man, and you gave out an interview in which you said you were glad to meet these people, that they looked like a clean, high type of American citizens?

Mr. ROCKEFELLER, Jr. Are you quoting from that interview?

Chairman WALSH. I am trying to quote from it.

Mr. ROCKEFELLER, Jr. I do not recall passing any comment upon their personal appearance.

Chairman WALSH. What did you think about Lawson, just from your talk with him and his appearance?

Mr. ROCKEFELLER, Jr. Mr. Chairman, I do not feel that I am called upon to express my opinion about Mr. Lawson or any of the other gentlemen who called upon me in a personal way.

Chairman WALSH. Did he appear to be an honest, frank, intelligent man?

Mr. ROCKEFELLER, Jr. I do not feel that I am called upon to express an opinion. I had a very agreeable conference, purely informal, unofficial, with several of the labor leaders who were in New York at that time.

Chairman WALSH. I am speaking of Mr. Lawson. He was a big, healthy specimen of manhood, at any rate.

Mr. ROCKEFELLER, Jr. I do not feel called upon to make any comments in regard to Mr. Lawson's personal appearance.

Chairman WALSH. At any rate, after Zancannelli was convicted, the papers contained statements that John Lawson was going to be put on trial and tried under the same circumstances that Zancannelli was tried. You saw that, did you not?

Mr. ROCKEFELLER, Jr. As soon as I saw any reference to the next trial going on, which was Mr. Lawson's, I took the steps I have outlined.

Chairman WALSH. I am asking you, and I want to lead up to it, if I can, chronologically and as logically as possible. You saw in the paper that Lawson was going to be tried under those circumstances, did you not?

Mr. ROCKEFELLER, Jr. I did not see it in the paper, but I was told that it appeared in the paper.

Chairman WALSH. Who told you?

Mr. ROCKEFELLER, Jr. Mr. Murphy—that it appeared in the paper that Mr. Lawson's trial was going on and at once. I asked Mr. Murphy to telephone, as I have stated—but wait, Mr. Chairman, I want to make a statement in regard to that.

You have stated in regard to this telegram from Mr. Welborn to me that our attorneys were conducting the case. I want to call attention to the fact that it may be clear, Mr. Chairman, that it says:

"Prosecution of the La Veta, Huerfano County, murder trial is being conducted under supervision of J. J. Hendrick, district attorney of that county. His affiliations are with strikers. County commissioners of Huerfano County passed resolutions authorizing Northcutt, Hayden, and Devine to assist Hendrick in the La Veta case. Neither Northcutt nor Hayden was ever our attorney previous to strike. After the beginning of the strike the coal operators jointly employed them to look after all matters relating to the strike."

They were employed jointly during the strike, as this states—this is my information—to look after all matters in connection with the strike, and it was in that way that they happened to be employed, not by the fuel company, but by the several companies that were acting jointly at this time and in connection with this case.

Chairman WALSH. So they were all combined together to prosecute Zancannelli and these other men, were they—all the companies combined to privately employ these men and pay them?

Mr. ROCKEFELLER, Jr. The statement is just as I have read it.

Chairman WALSH. Read on about Devine, the local man.

Mr. ROCKEFELLER, Jr. (reading):

"There are many indictments pending, growing out of violence during the strike, some relating to employees of one company and some of the other companies. The coal operators conceive it to be their duty, and they have been requested by the State authorities, to assist in bringing to trial all persons who have participated in the atrocities connected with the strike. In taking this course the operators are simply doing what in justice they owe to their employees, who have been subjected to all kinds of violence, and to the wives and children of employees who were murdered at their regular working places. Attorney Devine is employed by coal operators in case now on trial. He is in general practice at Pueblo, where he represents us locally, and but a small portion of his time is devoted to our business."

Chairman WALSH. The explanation you desire to make is that Mr. Hawkins is not correct in his statement that these were your attorneys that you have been reading about.

Mr. ROCKEFELLER, Jr. The explanation I desire to make is that these three gentlemen referred to here were employed by the several companies or the several operators.

Chairman WALSH. They were also the attorneys for your company?

Mr. ROCKEFELLER, Jr. They were employed by the several companies, of which we were one in the group.

Chairman WALSH. But they were also your regular attorneys?

Mr. ROCKEFELLER, Jr. I do not understand so.

Chairman WALSH. Was Devine?

Mr. ROCKEFELLER, Jr. That is the only man with reference to whom that statement is made. I simply wanted to make clear that those attorneys were employed by the several companies; that they had been employed during the strike for various matters growing out of the strike; that they were not employed solely by our company.

Commissioner WEINSTOCK. A point of information, Mr. Chairman. Will you, before going into that, explain further in connection with this telegram who these commissioners are that are referred to in there.

Mr. ROCKEFELLER, Jr. I do not know, Mr. Weinstock.

Commissioner WEINSTOCK. Will you read that part of the message again?

Chairman WALSH. They are referred to as county commissioners of Huerfano County.

Commissioner WEINSTOCK. Please explain more about those commissioners and who they represent?

Mr. ROCKEFELLER, Jr. My information is limited, too, Mr. Weinstock, to what the telegram says, and it says "County commissioners of Huerfano County passed resolutions authorizing Northcutt, Hayden, and Devine to assist Hendrick in prosecution of La Veta case."

Commissioner WEINSTOCK. And the county commissioners are authorized officials of that county?

Mr. ROCKEFELLER, Jr. That is what I assume from the telegram.

Commissioner WEINSTOCK. And they authorized the employment of these attorneys to assist the district attorney?

Mr. ROCKEFELLER, Jr. That is what the telegram states.

Chairman WALSH. Those are the same people referred to by Mr. Murphy in his letter when he says, "As soon as private interests, whether individual or corporate, participate by private counsel in the prosecutions, the proceedings begin to take on the appearance of private vengeance rather than of the impartial administration of justice." Those are the ones he referred to, selected in that way?

Mr. ROCKEFELLER, Jr. He referred to the counsel employed by the various mining companies together.

Chairman WALSH. Those are the men we are talking about now?

Mr. ROCKEFELLER, Jr. Very likely.

Chairman WALSH. I am getting down now to where the power is, and whether or not the power is really exercised by the New Yorkers instead of by their executive employees in Denver. Now, notwithstanding the conversation you had with Mr. Welborn, those same private counsel went out and prosecuted Zancannelli, and in the prosecution of Zancannelli they got a panel of 33 jurors that was carried over for the prosecution of Lawson. Then it appeared in the papers that Lawson was about to be put on trial for his life, and that he was to be tried by Grant B. Hillyer, who had been attorney for the Colorado Fuel & Iron Co., and there were charges that the jury was unfairly selected; did you see the newspapers—did you see the newspaper accounts?



Mr. ROCKEFELLER, Jr. I did not see the newspaper accounts.

Chairman WALSH. Did Mr. Murphy tell you what he saw in the papers?

Mr. ROCKEFELLER, Jr. Mr. Murphy told me he saw the trial of Lawson was coming on.

Chairman WALSH. Did he tell you anything else he saw in the papers about the trial of John R. Lawson?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. What made you suspect, if you did not hear about the trial of the Zancannelli case, and what caused Mr. Murphy to suspect that if private counsel were employed the proceedings would begin to take on the appearance of private vengeance?

Mr. ROCKEFELLER, Jr. The first I knew of this thing being done was the telegram you sent me from Mr. Hawkins, and the action I took at once on that I explained in full, and my subsequent talk with Mr. Welborn I have referred to several times.

Chairman WALSH. I assume Mr. Welborn agreed with the views then expressed?

Mr. ROCKEFELLER, Jr. So far as the company he was connected with was concerned; but I wanted to take no chance that so far as I was concerned, as a director of the company, and there was any possibility of my influence being exerted, and I wanted to be sure that justice was being administered without interference by the company to which I was related, and so I supplemented the talk with Mr. Welborn. So, as soon as I heard that another case was coming on, and the Lawson case was the next case, as I understood it, after the case referred to in this telegram—as soon as I heard of that case, I at once arranged for Mr. Welborn to be called, and I telephoned, and after the talk Mr. Murphy had with him I had it supplemented by that letter. I was taking every means I could to make assurance doubly sure that the company should not in any way interfere with the administration of justice. In other words, just as soon as it came to my attention that interference with the processes of justice was suspected even, I acted as I have stated, and have done everything I could to prevent a recurrence of such a thing in the company in which I am interested.

Chairman WALSH. Now, coming back again to the question of your power, and the way it is being exercised, I will go back to the question; after you saw that Mr. Lawson was going to be tried, Mr. Starr J. Murphy went to the telephone and telephoned to Mr. Welborn; that is correct, is it not?

Mr. ROCKEFELLER, Jr. Just as soon as—

Chairman WALSH (interrupting). Were you present?

Mr. ROCKEFELLER, Jr. No.

Chairman WALSH. Why didn't you go to the telephone?

Mr. ROCKEFELLER, Jr. That is a right I have to determine for myself, Mr. Chairman.

Chairman WALSH. Was it to keep out of what might be called a personal touch with any of these disagreeable details of the Colorado Fuel & Iron Co., such as hanging a man or sending him to the penitentiary for life, or the question of compensation of a man with his eyes out, or women whose husbands were killed; those disagreeable matters? Was it to keep from having a personal contact with those things that you had Mr. Murphy do it?

Mr. ROCKEFELLER, Jr. Not at all.

Chairman WALSH. Now, did you get a telegram, following the conversation referred to—

Mr. ROCKEFELLER, Jr. (interrupting). A telegram?

Chairman WALSH. No; a letter, which makes a complete record, which you kindly offered in evidence, and I will just read parts of it:

"We at this end [New York] are all much gratified to learn from my telephone conversation with you on Saturday that the criminal prosecutions in Colorado are being conducted solely by the attorney-general and the public prosecutors, and that no counsel in any way connected with the Colorado Fuel & Iron Co. have appeared in the case or are taking any active part in the prosecution."

Then I will skip down to another place:

"As soon as private interests, whether individual or corporate, participate by private counsel in the prosecutions the proceedings begin to take on the appearance of private vengeance rather than of the impartial administration of justice."

Then there is another skip, and then I will read further:

"We were therefore the more pleased to learn that you shared those views, and had already taken steps to see that they were carried out, so far at least as our company was concerned."

Now, is not that a way you have of not giving orders, but holding the influence that you have, that was well expressed in Mr. Bowers's letter of May 13, 1913, where he says: "It is well known that the Rockefeller interests are managing the affairs of the C. F. & I. Co."? Is not that the way you exercise that power to call up and say, "That is merely suggestive," and thinking out loud that way; "but I think it might savor of private vengeance if you had a special prosecutor"; and, Mr. Rockefeller, when you were here a month or two ago you remember stated that to me, and then the man out in Colorado, who is only one of four or five, as against your seven or eight directors in New York, would say, "Yes; I have been thinking that for some time myself; in fact, I have taken steps not to have Mr. Northcutt actively in this case."

Now, does not that state what might be called a concrete case of the way you suggest your desires and the way the power possessed by the New York end is applied to the local officials?

Mr. ROCKEFELLER, Jr. I think not, Mr. Chairman. It has been our custom in any business relations we have had responsibility for to appoint men of high character and ability to positions of responsibility. Men of that type are not in the habit of receiving dictation from even those who appoint them. Men of that type would not take dictation; it would not be desirable that men should go into positions of such great responsibility, such as directors of great corporations, that were not large enough to be given responsibility and then to be held to that responsibility; they to form the policies and conduct the business. I think when Mr. Bowers is on the stand, you will very likely see quite plainly that Mr. Bowers, one of the gentlemen who was an officer of the company at this time, is not the kind of a man who would take dictation, but the kind of a man who, from his experience, ability, and training is able to conduct the business.

Chairman WALSH. You expect him to get quite savage when he gets on the stand?

Mr. ROCKEFELLER, Jr. I think it will be quite clear, Mr. Chairman, that Mr. Bowers, as is Mr. Welborn, is competent to deal with situations of importance.

Chairman WALSH. Why would you telephone out there all the way from New York about this situation where it might appear that your company was seeking private vengeance if you already had had a talk with him and he was a man of such strong character that he would not be dictated to and told you what he was going to do?

Mr. ROCKEFELLER, Jr. May I continue?

Chairman WALSH. Yes; I interrupted you?

Mr. ROCKEFELLER, Jr. That has been the way the business has been conducted, to appoint men and leave to them the responsibility of immediate action. Now, I think no better demonstration of the fact that the method which you impute to our office of dictating power is incorrectly suggested—

Chairman WALSH. I should say transmitting it.

Mr. ROCKEFELLER, Jr. (continuing). Is contained in the 10 suggestions which made a part of the paper which I read at the outset of my investigation; 10 suggestions made by our office to the officers of the Colorado Fuel & Iron Co. during the strike. I have not counted, as between those suggestions, but my guess offhand is that the minority were adopted and the majority rejected. That will indicate to you the attitude toward suggestions from our office, and that they are not adopted unless they coincide with the judgment and opinion as to what is wise of the officers on the ground who are conducting affairs there.

Chairman WALSH. Let us see if that indicates that to me. Suppose when you sent out those 10 suggestions they wrote back and gave certain statements as to what they thought the line of conduct ought to be, and that such statements were strictly in line with the continuing profits of your company, we will say, and that you followed that with a letter telling them that their letter was received and you would back up to the very end any suggestion that they made; would you not simply be transmitting the power, but nevertheless having a record that could be produced any place from which it could not be gathered whether or not you had transmitted power?

Mr. ROCKEFELLER, Jr. I see no connection between the remarks you have just made and the statements I made in regard to those suggestions, Mr. Chairman.



Chairman WALSH. At this point we will stand adjourned until 2 o'clock this afternoon.

(Whereupon, the commission at 12.30 o'clock p. m., of this Saturday, May 22, 1915, adjourned until 2 o'clock p. m.)

AFTER RECESS—2 P. M.

**TESTIMONY OF MR. JOHN D. ROCKEFELLER, JR.—Continued.**

Chairman WALSH. I noticed in one of your publications, Mr. Rockefeller, that you had stated you were making efforts to establish peace or maintain peace in Colorado, and that you were having the cooperation of certain union-labor leaders or certain union men in your efforts. Is that correct?

Mr. ROCKEFELLER, Jr. I do not recall the statement, Mr. Chairman. If you will point it out—

Chairman WALSH. It is not in a letter. It was in a newspaper statement. Did you write your own newspaper statements, or were they dictated, or were they written by some one else?

Mr. ROCKEFELLER, Jr. I assume the responsibility for everything that was sent out in my name.

Chairman WALSH. You assume the responsibility, but you do not seem to remember one that was published very shortly. Did you dictate it to anyone, or was it dictated by you, or did some one else write it?

Mr. ROCKEFELLER, Jr. I assume the responsibility for everything that was sent out in my name.

Chairman WALSH. Did Mr. Ivy Lee write the newspaper interviews purporting to come from you?

Mr. ROCKEFELLER, Jr. I have answered the question.

Chairman WALSH. Do you assume the responsibility for that?

Mr. ROCKEFELLER, Jr. For everything that goes out in my name.

Chairman WALSH. I am asking for the fact. Did you write it?

Mr. ROCKEFELLER, Jr. I have covered the situation, Mr. Chairman.

Chairman WALSH. You do not care to go any further?

Mr. ROCKEFELLER, Jr. I do not. I do not think it is necessary.

Chairman WALSH. I want to say, in fairness to you, that I am going to assume that the interviews were not written by you, but were written by Mr. Ivy Lee, and that you assumed the responsibility therefor.

Mr. ROCKEFELLER, Jr. It is not an inference that the premises justify.

Chairman WALSH. Very good; but that is the one I shall have to draw unless I can get a direct answer. Do you recall an interview in which you said you were having the cooperation of labor leaders in Colorado in establishing peace?

Mr. ROCKEFELLER, Jr. I do not recall it.

Chairman WALSH. Are you having the cooperation of labor leaders in Colorado in establishing peace?

Mr. ROCKEFELLER, Jr. As I have stated, I have had interviews with several of the labor leaders in New York, and I think they would feel as I feel, that, although the point of view which they might have and the point of view which I might have would be different, our purpose was the same. Our method of accomplishing it might be different, but our purpose, namely, to improve the conditions generally and to improve the situation for the workers, was the same.

Chairman WALSH. You think you and Mr. Lawson to-day would have similar views as to the establishment of peace in Colorado, he being under conviction of life imprisonment in the penitentiary and you on the stand in Washington?

Mr. ROCKEFELLER, Jr. Mr. Chairman, I do not assume for a moment that the question is meant to be put in such a way, but it is referring so closely to matters that are now before the courts that I prefer to make no answer to that question other than the answer which I gave yesterday in a carefully prepared statement, and any other questions of a similar character I should be obliged to refer to the same answer.

Chairman WALSH. Did you write that answer?

Mr. ROCKEFELLER, Jr. I take the responsibility for that entire answer.

Chairman WALSH. Did you write it, or did somebody write it for you?

Mr. ROCKEFELLER, Jr. It is not a matter that I think is material.

Chairman WALSH. Did Mr. Lee write it?

Mr. ROCKEFELLER, Jr. I have no further answer to give.

Chairman WALSH. He is smiling.

Mr. ROCKEFELLER, Jr. So are you.

Chairman WALSH. And he looks proud.

Mr. ROCKEFELLER, Jr. So do you.

Chairman WALSH. I am smiling because I thought I caught him smiling in such a knowing way that perhaps I could get you to state just who did write that answer. Did Mr. Lee write it?

Mr. ROCKEFELLER, Jr. I have no further information to give on that point, Mr. Chairman.

Chairman WALSH. Name the labor leaders who are cooperating with you in Colorado to establish and maintain peace.

Mr. ROCKEFELLER, Jr. I have stated, Mr. Chairman, the point with reference to the labor leaders whom I have met. I have no knowledge of their actions other than what was stated to me at the time of the meeting.

Chairman WALSH. I know the labor leaders as the ones who appeared before our commission, and I do not believe I knew any of them or saw any of them before; but I will leave them out of this question—that is, those who called upon you and whom I know by seeing. Are there any other labor leaders you have consulted or referred to in Colorado other than those that waited upon you or met with you in New York?

Mr. ROCKEFELLER, Jr. I think that the disposition has been shown by all those in Colorado to cooperate, not only labor leaders, but others, in improving conditions.

Chairman WALSH. Did you know they are getting up a procession to march through the streets of Denver and protest against what they say is the activity of the Rockefeller interests in the efforts to convict these men out there; that that meeting is called by the citizenship of Denver for next Sunday?

Mr. ROCKEFELLER, Jr. I did not.

Chairman WALSH. Are the labor leaders who are cooperating with you in Denver those labor men who are furnished you by the Baldwin-Felts Detective Agency?

Mr. ROCKEFELLER, Jr. Mr. Chairman, the cooperation to which you refer is limited to two things—the exchange of views informally which I had with certain labor leaders in New York, and my general observations from information which comes to me from various sources that the labor people and employers and people generally in Colorado are cooperating toward the bringing about of better conditions.

Chairman WALSH. But my question was, have you now in your pay, through the Baldwin-Felts Detective Agency, any laboring men that are in unions?

Mr. ROCKEFELLER, Jr. I do not know of any Baldwin-Felts men who are in the employ of the Colorado Fuel & Iron Co.

Chairman WALSH. Do you recall a letter that Mr. Bowers wrote to you toward the close of his service in Colorado, which wound up substantially with saying, "We will now go forward in the campaign of 1916 for an open shop?"

Mr. ROCKEFELLER, Jr. I do not recall that, but it is entirely probable that that statement is in there.

Chairman WALSH. This is dated April 7, 1914, and you testified before the congressional committee. You received a letter from Mr. Bowers which concludes with this paragraph—and I will only read the one paragraph, because it covers what I want to ask about:

"I can not put into words my satisfaction, I will say boundless delight, with your magnificent and unshaken stand for principle, whatever the cost may be. Now for an aggressive warfare to 1916 and beyond for the open shop.

"Sincerely, yours,

"L. M. BOWERS."

Are you now engaged in the warfare for an open shop?

Mr. ROCKEFELLER, Jr. I am engaged in no warfare, Mr. Chairman.

Chairman WALSH. Following that now, you started what you called a union educational campaign, did you not?

Mr. ROCKEFELLER, Jr. No; Mr. Chairman.

Chairman WALSH. Did you not submit in a letter to Mr. Lee certain things that you wanted published, and you said in connection with the Colorado situation as well as with your union educational campaign?

Mr. ROCKEFELLER, Jr. I stated very clearly yesterday, Mr. Chairman, just the nature of that suggestion with reference to union campaign. I also stated



that the suggestion, which was one of many suggestions that passed between us was never acted upon.

Chairman WALSH. When did you abandon your idea of a union educational campaign?

Mr. ROCKEFELLER, Jr. I never had it definitely fixed. It was simply one among other ideas.

Chairman WALSH. It was just an idea at the time you wrote the letter?

Mr. ROCKEFELLER, Jr. It was.

Chairman WALSH. I will ask if it is not a fact that you did abandon your union educational campaign at the time it became disclosed, after the question was put up to Mr. Welborn and after he refused to answer and submitted it to counsel, and then stated that Ivy Lee was the man sending out those bulletins. Was not that the time you abandoned the idea of having a union educational campaign?

Mr. ROCKEFELLER, Jr. There was no possible connection between the two, and, Mr. Chairman, it is impossible to abandon what you have never entered upon. The campaign was never entered upon; therefore it could never be abandoned.

Chairman WALSH. When did you get the idea with reference to the time you wrote the letter?

Mr. ROCKEFELLER, Jr. I presume the letter would suggest quite accurately.

Chairman WALSH. When did you abandon the idea?

Mr. ROCKEFELLER, Jr. That is all I recall about the idea.

Chairman WALSH. Did you abandon it as soon as you wrote the letter?

Mr. ROCKEFELLER, Jr. Never had it except as a thought that I expressed at that time in that way.

Chairman WALSH. Did not Mr. Lee understand that you were in a union educational campaign?

Mr. ROCKEFELLER, Jr. Mr. Chairman, I have stated that we were not in any union educational campaign.

Chairman WALSH. But when you told him the material was for use in the union educational campaign, did you afterward tell Mr. Lee that was only an idea and you didn't propose it to be carried out, or did you tell Mr. Lee about it afterwards?

Mr. ROCKEFELLER, Jr. I think the facts appear in the letter.

Chairman WALSH. You just stand on the letter?

Mr. ROCKEFELLER, Jr. I stand on the letter.

Chairman WALSH. Now, if there is a later letter to that, referring to that union educational campaign, what would you say about that?

Mr. ROCKEFELLER, Jr. I would say it was a later letter.

Chairman WALSH. A later letter on it?

Mr. ROCKEFELLER, Jr. It was a further word.

Chairman WALSH. If there was a later letter, the union educational campaign continued a little longer?

Mr. ROCKEFELLER, Jr. It was never undertaken.

Chairman WALSH. But the idea of the union educational campaign was still in your mind, was it?

Mr. ROCKEFELLER, Jr. I don't know.

Chairman WALSH. Later on?

Mr. ROCKEFELLER, Jr. I don't recall, Mr. Chairman.

Chairman WALSH. An open shop, as defined by Mr. Bowers, and as acted upon by your company, is this: In Sunrise, Wyo., if a man comes into a nonunion camp and is found out to be a union man he is put out of the camp; you know that?

Mr. ROCKEFELLER, Jr. That is not my idea of an open shop.

Chairman WALSH. I will ask you if that is the way your business is conducted in Sunrise, Wyo.?

Mr. ROCKEFELLER, Jr. I don't know how it is conducted there as distinguished from other places.

Chairman WALSH. Now, I will ask if your practice has been this, that you engaged spies that went into the unions, also into your mines pretending to be miners having no connection with your company and being loyal union men, and that they told your officers the names of the men that talked about joining unions, and they were immediately told to go up the canon, which meant to leave the camp?

Mr. ROCKEFELLER, Jr. That is a question the officers would have to answer; I am not able to.

Chairman WALSH. Did you read Mr. Welborn's testimony taken in Denver, in which he said it had been the practice of the company for years to hire detectives, who pretended to be regular miners, to get into the unions and give them the names of agitators, and they were discharged then from the service?

Mr. ROCKEFELLER, Jr. I read the testimony, but I do not recall that.

Chairman WALSH. You read all of the testimony of Mr. Bowers?

Mr. ROCKEFELLER, Jr. I did not know that Mr. Bowers had testified.

Chairman WALSH. I mean Mr. Welborn.

Mr. ROCKEFELLER, Jr. I read part of it; I think possibly all.

Chairman WALSH. Did you read that testimony where he said it had been the custom to hire spies for years?

Mr. ROCKEFELLER, Jr. If I read it all, I did; but I do not recall whether I read it completely or not.

Chairman WALSH. Do you recall the fact, if it is a fact, that that was the practice of your company?

Mr. ROCKEFELLER, Jr. I didn't know it to be a fact.

Chairman WALSH. Do you know now that your company hired spies that pretended to be regular union men for the purpose of giving information to the executive officers of your company, on which they acted and discharged the men?

Mr. ROCKEFELLER, Jr. If that is stated in Mr. Welborn's testimony, and I read all of it, I must have known it; but I don't recall.

Chairman WALSH. Is that the sort of open shop that Mr. Bowers was starting the campaign for 1913 and beyond?

Mr. ROCKEFELLER, Jr. Mr. Bowers can answer that.

Chairman WALSH. What kind of a campaign did you then have in mind?

Mr. ROCKEFELLER, Jr. My idea of an open shop is a shop where men are employed who are members of the organization or not members, each man employed on the basis of his fitness.

Chairman WALSH. And the union men are allowed freely to join the unions?

Mr. ROCKEFELLER, Jr. The question of whether a man is a member of the union or not, in the open shop, would not prevent his employment as long as he was efficient and as long as the nonunion men are given the same privilege.

Chairman WALSH. And the same privilege of joining the union—would you demand that privilege for the nonunion man, too? That is, that he should not only have the right to work in the mines, but join the union if he saw fit?

Mr. ROCKEFELLER, Jr. A man has a right to join a union if he sees fit.

Chairman WALSH. But would you invade his right and discharge him for exercising that right?

Mr. ROCKEFELLER, Jr. If I was personally in charge, I should not.

Chairman WALSH. If it is a right that a man has, and that right was invaded by your executive officers, and you, as a director of the company, you would call his attention to that, that he was invading the right of an American citizen?

Mr. ROCKEFELLER, Jr. I would take whatever steps I thought were necessary.

Chairman WALSH. Did you ever take any step?

Mr. ROCKEFELLER, Jr. I don't recall that I ever have in that direction.

Chairman WALSH. I will say that there are some other questions that I have to ask you, Mr. Rockefeller; but they are more or less of a formal nature, and I will refer them to our department of research, and they will communicate with you in writing about them.

Mr. ROCKEFELLER, Jr. I would prefer to stay here and complete my testimony in public. Ever since this investigation has been going on—some six or nine months—these things have been before the public, and there should be a time when this investigation will finally end. I would prefer to remain on the stand indefinitely until the examination is finished.

Chairman WALSH. That is not convenient at this time for the commission, and I will say, in view of the fact that you have attended for a number of days, if you feel that these questions ought not to be asked, and will indicate that, I will take it up with the commission, and, as far as my vote is personally concerned, I will excuse you from answering.

Mr. ROCKEFELLER, Jr. Thank you, Mr. Chairman.

Chairman WALSH. On that point, you have been here a number of days, and you see that Mr. Bowers declared in this letter that there was a campaign to go on in 1916 and beyond for an open shop. The commission has been given the testimony on the actual practice of the Colorado Fuel & Iron Co., deemed to be the open shop. In addition, that we have had this letter and other letters that I am quite sure—I will not stop to get them now—that indicate that you



are carrying on a union educational campaign now. Don't you know that your foundation has started an inquiry into industrial relations generally, and we have been informed that Mr. King, who is here present, has spent a lot of time in Colorado, and in view of those facts, as far as my agreement to call you in the organization of our public hearing is concerned, I deemed that you represented, probably, the largest investors in this company, and a director in this company; that you might be called the principal side of the labor controversy. And I am now going to ask you this question: Do you realize, or is it a fact, that with vast power great responsibility would always abide?

Mr. ROCKEFELLER, Jr. That with vast power—

Chairman WALSH (interrupting). With vast power great responsibility should always abide?

Mr. ROCKEFELLER, Jr. I think I have always recognized fully the responsibility that rests upon me.

Chairman WALSH. Do you mind the fact that on account of the many concerns in which yourself and father have stocks and bonds, on account of the vast number of industries in which you are interested, that you possess a power, a potential power, and an influence, especially over those that are associated with you in business, much greater in extent than an ordinary stockholder or director?

Mr. ROCKEFELLER, Jr. I stated in the statement which I read to the commission in New York that I recognized the power of the large stockholder was out of proportion to the exact amount of his stock, and that it necessarily was great. I recognize that fact.

Chairman WALSH. And the mere fact that conditions should go on in Colorado without your protest might lead these gentlemen, like Mr. Bowers, to believe that was your will, and therefore you were morally responsible, at least, for everything that took place in Colorado, leaving aside for the present the particular instances to which attention has been called?

Mr. ROCKEFELLER, Jr. I have undertaken to discharge my responsibility to the fullest of my ability. If I have failed it is not because of my desire not to do what is right, but because of the weakness of human nature, to which we are all subject.

Chairman WALSH. Do you not believe that the fact that you did not put any arresting hand upon the situation at any time, before Ludlow or afterwards, might be taken by these gentlemen to believe that it was your desire that that should go on, and that therefore it did go on?

Mr. ROCKEFELLER, Jr. These gentlemen were operating as they thought wise, and did what their judgment prompted. They knew I was free to express my opinion, and I have expressed my opinion; they have acted on it when they saw fit and have declined to act on it when they did not see fit. They knew I had the right, as a stockholder, if I felt they were not performing their duty in the way that I thought was right, that I had the right to use any influence as a stockholder to replace them, and that right I would have used if I had thought it was necessary.

Chairman WALSH. Now, you are speaking as an ordinary stockholder, but, in view of the vast influence that you have on account of the industries over which you have potential control, weren't you in a different position than the ordinary stockholder?

Mr. ROCKEFELLER, Jr. I am speaking of my responsibilities as I see them, in view of the position in which I am placed.

Chairman WALSH. Now, I want to ask you just one more question. Mr. Welborn is president of that company, isn't he?

Mr. ROCKEFELLER, Jr. Yes.

Chairman WALSH. And he was the direct representative, the executive representative, and the highest one, of your company in the field in Colorado?

Mr. ROCKEFELLER, Jr. During the strike. Mr. Chairman, and until the end of this last year Mr. Bowers, who was the chairman of the boards, was the ranking officer.

Chairman WALSH. But before that time he was the president of your company, and after Mr. Bowers left he was in complete control, so far as rank was concerned?

Mr. ROCKEFELLER, Jr. He was.

Chairman WALSH. Now he is a man, you say, of high intelligence, of fine perception, and you believe a good and kind-hearted man?

Mr. ROCKEFELLER, Jr. I believe so, absolutely.

Chairman WALSH. You believe so, absolutely. Now, then, at least 4,500 of your hitherto faithful employees went on strike against conditions in your industry in Colorado; they went out to live in tents in the canyons of Colorado. There was suffering and there was privation growing out of that difficulty. Many men were killed. Some of the men who were discharging their duties believed in every instance, I have no doubt, that they were rendering a very high service to the State, acting as an arm of the military power. There were many men killed, believing, whether right or wrong, that they were fighting for existence and better conditions for other men. Women and children were suffocated and their flesh burned off their bones. Children were shot through the head. The people of Colorado were arrayed against each other. The governor, whom we have heard spoken of contemptuously as "our little cowboy governor," and who was said to have been whipped into line; delegations were sent to the East to expose, as they said, the conditions in Colorado; people who took one side were denounced as defamers of the fair State of Colorado. People on both sides had their lives threatened. The governor of the State declared publicly that civil government had broken down in Colorado. I mention a few of the standing out marked events of the strife in Colorado. Now, I want to call your attention to the fact that after Ludlow, after the killings, after all I have stated to you and many other things had transpired, if you did not receive a letter from Mr. Welborn, this man of fine perceptions and a man of kind heart, in which he said:

"I appreciate very much your expressions concerning my personal welfare. My health has never been better than during the past year, and I am hardly conscious of any strain. The knowledge that we have your confidence and support makes everything else easy."

That is, all the deaths and all the disgrace and everything was easy to him, and he felt no strain. Does that suggest to you that you have a vast influence over that of the ordinary stockholder, over the men connected with you in these industries, and that you ought to raise your voice in protest if human beings were being mistreated?

Mr. ROCKEFELLER, Jr. I see no connection whatever between the letter and the statement you make.

Chairman WALSH. You may now examine, Mr. Weinstock.

Commissioner WEINSTOCK. There was read into the record this morning, Mr. Chairman, some extracts from the report of the Commissioner of Labor for 1905, relating to the labor disturbances in Colorado. For the full information of the commission, I want to have this also included in the record—

Chairman WALSH. Mr. Weinstock, you may read anything into the record you please that—

Commissioner WEINSTOCK. Well, this is in very close relationship to that which was developed. This appears on page 340 of the report. It reads:

"Mr. Mitchell held a conference"—

"Mr. Mitchell" refers, I take it, to President Mitchell, of the miners' union—

"Mr. Mitchell held a conference with Gov. Peabody in the latter's office in the State capitol on December 6. Mr. Mitchell refused to discuss the conference, but the governor, being interviewed, said:

"The conference was very pleasant, although it was not productive of results. At its conclusion President Mitchell stated that so far as he could see there was no immediate probability of a settlement of the strike.

"Our conference began by Mr. Mitchell reciting the different aspects of the situation, and the causes that led to the strike, the eight-hour day, the mining of 2,400 pounds of coal for a ton, and the issuance of scrip. He stated that the union had furnished transportation to 1,300 or 1,400 strikers to other fields, where they secured employment; also that over 1,000 strikers who had money had paid their own transportation and had gone to work in other fields. The remainder are being provided with strike benefits as called for—single men, \$5 per week; married men, \$8. Mr. Mitchell declared that his organization would furnish the strikers with food, clothing, and shelter as long as the strike should last, or until they could be transported to other fields.

"In turn, I told him that I would protect the people with the same jealous care as he had said he would look after his men. I called his attention to the geographical location of Colorado, and the absolute necessity of having coal, and that I would see to it that it is produced if enough laboring men can be found to mine it. I told him his men might remain in idleness as long as he cared to board and clothe them, provided they obeyed the law and committed



no act of violence. As soon, however, as they interfere with the men who care to work, that moment I will interfere with the troops and grant protection to those who care to work. I told him that I drew no distinction between organized and unorganized labor. Neither did I intend going into the merits or demerits of the controversy, but that any individual desiring to labor would have absolute and certain protection.

"I further called his attention to the fact that I had declared qualified martial law in Teller County, and that I intended doing the same in every county of the State, if necessary, to bring criminals to trial and justice. I told him if criminals could prove their innocence in civil courts they might go free, but if I could later produce evidence I would have them rearrested and send every one of them to the penitentiary.

"I also told him that if there was anything I could do within the scope of my duty to bring about an early settlement, I would lend my influence in that direction. But I give him to understand that I would not undertake to arbitrate the question at issue, as that is a matter concerning employer and employee, and not the general public. Mr. Mitchell expressed himself as well satisfied with my statement, and said he had no criticism to make in regard to my proposed action in the matter."

Now, on page 341, the following appears:

"The first cases of assault during the strike of coal miners took place in Las Animas County on December 7. In the forenoon Marshal Milton Hightower was superintending the tearing down some of the shanties of the Victor Fuel Co. at Hastings, in which some of the miners had formerly lived. He was set upon by a mob of Italian women, one of whom struck him with a clever, nearly severing one of his ears from his head.

"Thomas Jennings, an employee of the Colorado Fuel & Iron Co., and a brother of the superintendent of the company's mine at Berwind, had conducted several parties of men from Berwind to Primero. He was conducting a party of four on the afternoon of December 7, when they were fired upon by several unmasked men. None of them was hit by the bullets, but one of the mules drawing the wagon in which they rode was killed."

And on page 352 the following appears:

"An open letter to W. R. Fairley and Chris. Evans:

"Answering your communication which appears in the daily papers in this State, addressed to the public in general—

"We admit, as you have stated, that 'five months have now elapsed with nothing but turmoil and vexation of spirit in the hearts and minds of business men and citizens in every walk of life.' We admit, also, as stated, the result is 'manifest, not only to the coal companies involved, but business men also, who have been deprived of their only source of revenue as a result of this strike.' We also indorse heartily your statement that the public in general, in its broadest sense, is 'entitled to receive due consideration in all affairs of such vital importance to them, regardless of the source from which all this trouble has originated. We further admit, as you state, 'there has been, and is at present, a large amount of money being expended on both sides,' and that the burden of expense to maintain the strike has, by the advent of the militia, been transferred from the coal companies to the taxpayers of the whole State, and that, as you suggest, it is 'a question that offers plenty of food for thought.'

"We fail to find anything in the above citation of facts and conditions which are commendable or greatly to your credit. Up to this time we have remained neutral. We have given you a free hand to correct the conditions of which you complain, and in return you have flatly boasted your determination to make the business conditions of this community as nearly unbearable as to force the people to interfere in your behalf.

"The miners, in whom you profess so deep an interest, privately advise us of their desire to return to work, to be protected from the paid emissaries whom you have placed over them in control. And we now take this opportunity of serving notice on you of our intention, from this time on, as you have it, 'to receive due consideration in all affairs of such vital importance' from the source from which it emanated.

"We are tired of you. Your misguided followers are tired of you and your methods, and we respectfully request you to withdraw from the county, to the end that we may speedily repair the injuries we are sustaining, and have sustained, on your account. We feel that from now on we will be pardoned if we pursue in the future a policy of self-protection which will be as aggressive as in the past it has been lenient."

Chairman WALSH. Who is that from?

Commissioner WEINSTOCK. "Many taxpayers and citizens."

Chairman WALSH. Does that give any place that it is from?

Commissioner WEINSTOCK. "The following communication appeared in the Trinidad Chronicle-News of April 5." Gov. Peabody, interviewed on April 20, said:

"I have made no attempt to settle this strike, except that I tried to arrange a meeting between the operators and the miners, and the operators refused to attend. Previous to that time, when Mr. Mitchell came to Denver, last December, he had been greatly misinformed by his agents here as to the true situation. However he took the word of these agents without further investigation. It has not been my business to settle this strike; my only duty has been to maintain law and order in this State.

"I told Mr. Mitchell at that time that if he wished to keep his men in idleness in Colorado he was at liberty to do so, as long as they should conduct themselves in a peaceable manner, but if they did not there would have to be military interference. Mr. Mitchell asked me to keep the soldiers out, but said that if conditions should warrant such a move he would be one of the first to sign a petition for them to be sent to the scene of the disturbance.

"The whole matter has worked itself out exactly as I told Mr. Mitchell it would. I see no reason why I should take the word of Wardjon, Bartolli, and "Mother" Jones against the word of civil authorities, senators, mayors, and reputable citizens generally as to when or when not to call out the militia. I sent the troops into the disturbed districts with only one purpose in view, that of maintaining law and order. That has been my position all along, and that is where I stand to-day.

"Gov. PEABODY."

In the discussion this morning, Mr. Rockefeller, a hypothetical question was put to you, and I am not altogether sure that I clearly and distinctly understood your attitude. The question was put to you if a sheriff, disguised as a burglar, should attempt to enter your house, and to hold a pistol, as it were, to your head, would you yield or would you resist. Now, I understood, in substance, that your answer was as follows—and let me make sure that I did understand it correctly—if he came to you as a burglar you would treat him as a burglar, and if he came as a sheriff you would treat him as a sheriff; that if he came in the name of the law, you would respond in the name of the law and offer no resistance, but if he came as an everyday burglar you would treat him as an everyday burglar. Am I right?

Mr. ROCKEFELLER, Jr. That was, in substance, my thought, but I expressed it a little differently.

Commissioner WEINSTOCK. Did I catch the spirit of your answer?

Mr. ROCKEFELLER, Jr. Yes; that I would always treat the representative of the law with the respect that was due to a representative of the law, unless, as I stated, the extreme case arose where immediate death was liable to occur unless a person were to take immediate action. I stated that such action could only be justified under such circumstances such that one would feel that before a court of justice one's position would be defended.

Commissioner WEINSTOCK. I gather then that you are in harmony with the attitude of Dr. Goodnow, president of Johns Hopkins University, who testified on that point, when the question was put to him:

"Commissioner WEINSTOCK. Taking a concrete case, Doctor, taking the case, let us see what your counsel in the matter would lead to. The governor ordered out the militia in connection with some coal strike that took place in Colorado. There was a conflict of testimony there as to the cause and effect. The National Guardsmen maintain that they fought in self-defense; that they were first attacked by the strikers. The strikers deny that, and claim that the initiative was taken on the part of the National Guardsmen, which led to riot. Let us assume, for the purpose of our illustration and for the purpose of our analysis, that the workers are correct in their statement, and that the militia did take the initiative, and did abuse their power, and did harass and fire upon innocent people. Your advice and counsel under those circumstances to the worker is, take the result? Yield for the time being; do not attempt to take the short cut and get immediate redress, but recognize the existing authorities and abide by their demand? Let your remedy come by use of the ballot, see to it that the commander in chief that is responsible for this is either recalled, under your recall law, or is condemned by public sentiment and not reelected? Do I follow you?



"Dr. GOODNOW. Yes, sir; it seems to me that any other advice is going to lead to anarchy. It seems to me that the fundamental proposition you have to start with is that we must have peace, and we shall not recognize any such thing legally as right to restrain the constituted authorities. The right of revolution or violence or anything of that sort. We must as civilized men adopt that idea or else there is no peace for our Government.

"Commissioner WEINSTOCK. In other words, the short cut to the remedy must be condemned?

"Dr. GOODNOW. Yes, sir; as I look at it.

"Commissioner WEINSTOCK. And that it is better for a group of men to suffer from real or fancied injuries temporarily than to have chaos prevail?

"Dr. GOODNOW. Certainly. One of the many troubles seems to be the workers in the country never will gain anything by any such thing as organized violence. The people as a whole condemn it, and they can do very much better by presenting their case as forcibly as it can be to the courts, where that is possible, or to the public as a whole."

Are you in harmony with that position?

Mr. ROCKEFELLER, Jr. I am.

Commissioner WEINSTOCK. I took it upon myself, Mr. Rockefeller, to send you a letter this morning, which I desire to read into the record now, which read as follows:

WASHINGTON, D. C., May 22, 1915.

Mr. JOHN D. ROCKEFELLER, Jr.

DEAR SIR: It has been the uniform practice of this commission to give witnesses advance copies of the questions to be asked in order that the witness may come fully prepared to make answer. It has not been the practice of individual commissioners to do this, because the individual commissioners could not anticipate the questions which they as individuals are likely to ask.

In your case, however, you have been on the witness stand often enough and long enough to make clear in my mind just the questions among others which I shall consider it essential to ask. In order to save your time and the time of the commission, I am therefore taking it upon myself to inclose an advance copy of the preliminary statement I shall make when my turn comes to question you. This statement as you note, presents, as I see it, the three prime issues involved in the controversy. Having noted that you carry with you a great mass of material, I trust that the intervening time may be sufficient to enable you to have in readiness such part of it for submission to the commission as will bear directly on the points touched upon in the inclosure, and that you will also state which of your witnesses who have been asked to attend this hearing can give further light on these same points.

Yours, very truly,

HARRIS WEINSTOCK, *Commissioner*.

Now, this is my statement, and before proceeding with my questions I want briefly to review the situation as I see it. This commission sat between 25 and 30 days in actual hearings, including the time spent in Denver, New York, and Washington, D. C., investigating the Colorado coal strikes, and endeavoring to find the underlying causes and to locate the responsibility for the great loss of life and property in that Commonwealth. The cost to the Nation for such Colorado investigations through this commission, I should say, has been much over \$10,000. There has accumulated a great mass of testimony, much of it more or less unavoidably nonessential to the vital points at issue.

What I have been able in brief to get out of it all is that the strikers and their sympathizers make these three specific charges:

(a) That at no time after the strike could they get a hearing at the hands of the operators.

(b) That the civil and judicial machinery for obtaining such justice as the law affords was in the hands of the operators and not available to the strikers.

(c) That the operators through their agents were the first to resort to violence and that all the violence which followed was defensive on the part of the strikers and not offensive.

If these three charges have been established then it must be plain that the responsibility for the unfortunate happenings in Colorado must clearly be laid at the door of the operators and the strikers are entitled to all support and the sympathy of the American people.

Despite the volumes of testimony that have accumulated in the hands of the commission in this case, much of it is so befogged and so beclouded, the contra-

dictions are so pronounced, there is so much evidence of bitterness and ill will on both sides of the controversy that the impartial, fair-minded investigator, such as I hope I am, finds himself in a mental maze and more or less at sea.

Speaking for myself, I have entered this Colorado investigation without any preconceived judgment or prejudices. Not any of the participants on either side were known to me. I, for one, have absolutely no object other than to find the truth, wherever the truth may be; and, speaking for this commission as a whole, it is neither for nor against any witness; it is for the facts, whatever the facts may be.

It is in this spirit, and this spirit alone, then, that in order to crystallize the issues and reduce them to their prime essentials I ask you specifically to make whatever answer you are able to make to the three foregoing charges.

If you can show that an opportunity was afforded the strikers at some stage of the dispute to get a hearing in the presence of the representatives of the operators; if you can show that the strikers had not exhausted their constitutional rights to get justice before resorting to violence; if you can show that the strikers and not the operators or the authorities were the first to commit acts of violence in defiance of law, then these three charges made against the operators must, to my mind, fall to the ground, and the burden of responsibility for all the consequential casualties and loss of property must then, as I see it, be placed at the door of the strikers.

Now, before asking you to reply to these statements, Mr. Rockefeller, I want to ask, did you receive a copy of the questions that were to be put to you by this commission before you came here?

Mr. ROCKEFELLER, Jr. I have never received any questions in advance of coming before this commission.

Commissioner WEINSTOCK. It has been the uniform practice to furnish every witness with advance copies, so they could come here prepared intelligently to answer questions; and if none was furnished in your case, there must have been some mistake about that, which I am sure our chairman will at this time be glad to explain.

Chairman WALSH. I will be glad, if I can keep the witness here. I will explain by stating you were entirely mistaken about the facts.

Commissioner WEINSTOCK. Perhaps I am; I will be glad to be corrected.

Chairman WALSH. I have been compelled, and you know the duty has been placed upon me by the other commissioners, to arrange with the staff for these hearings. Your duties and responsibilities elsewhere have kept you away from the minutia of attending to these hearings. Mr. Rockefeller was notified by letter in New York of the New York hearing, and a communication was addressed to him asking him to come, and he gave the public notice through the newspapers showing that he knew he was to be examined on these letters. I will not at this time stop to tell you what I would like to say, but as soon as Mr. Rockefeller is excused I will place Mr. Manly upon the stand, and he will advise you as to what has been done with reference to other witnesses. I am simply saying that, with very few exceptions, every witness has appeared upon this stand just as Mr. Rockefeller has, and the labor witnesses whom you heard testify and whom you examined, and properly examined, in your own way, were not notified in advance, any more than Mr. Rockefeller, as to what they were to be asked.

Commissioner WEINSTOCK. I was under the impression that our witnesses, as a rule, had been furnished with the questions asked.

Chairman WALSH. You are mistaken, and that is because you have not given attention, and were not asked to give attention, to the details of these matters that I have given.

Commissioner WEINSTOCK. What led me to believe that was the fact that frequently a statement was made to witnesses, "You have been furnished with a copy of the questions?" and they would answer them in rotation as they appeared. That conveyed to me the idea that it was the uniform practice of the commission.

Chairman WALSH. It was not. That was only done in a very few instances, and those questions were put after a witness got here and in many instances wanted to go into matters outside of the scope of the hearing, and I ordered the questions to be prepared and submitted to those witnesses to be followed. Of course, we would have gladly given you that information—it is available here—had we had the opportunity.

Commissioner WEINSTOCK. That explanation is entirely satisfactory, Mr. Chairman.



Mr. ROCKEFELLER, Jr. May I adjust one word? Is it true that with the summons I have received in both instances there have been several general questions stated, but I supposed the question which you directed to me was as to whether the specific questions which the examining officer was to ask on the stand had been presented. Those questions, as Mr. Walsh says, have not in any instance.

Chairman WALSH. Do you claim all the questions have been presented to any witness, Mr. Weinstock?

Commissioner WEINSTOCK. No; not all. But the primal questions have been submitted, because we always digressed upon them and took very wide latitudes.

Chairman WALSH. That was not done in this case.

Commissioner WEINSTOCK. The explanation is entirely satisfactory, Mr. Chairman.

Chairman WALSH. Thank you, Mr. Weinstock.

Commissioner WEINSTOCK. Will you proceed to answer this statement in your own way, Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. May I ask you, Mr. Weinstock, in regard to question A, where you say "the strikers and their sympathizers"—"What I have been able, in brief, to get out of all this is that the strikers and their sympathizers made these three specific charges."

Commissioner WEINSTOCK. Yes.

Mr. ROCKEFELLER, Jr. Do you mean men working in the mines, and who struck, or the representatives of the unions?

Commissioner WEINSTOCK. I take it the representatives of the union.

Mr. ROCKEFELLER, Jr. I ask because the representatives of the unions, so far as I know, have not met in conference with the operators; but the striking miners—as I understand it, the striking miners were present at the meeting called by Gov. Ammons on November 26, where they met three of the operators, with the governor, and discussed the situation. Briefly, it is referred to in a telegram from a number of the operators to Dr. Foster, under date of May 1, which telegram Mr. Welborn supplied in the correspondence, and which says:

"In connection with and as supplementing the operators' telegram to you last night, permit us to call your attention to the fact that on November 26 last, in the governor's office, a conference was held between three of the operators and representatives of their former employees then on strike."

That is the only conference I know of where the representatives were present.

Commissioner WEINSTOCK. Then it is not a fact, from the answer just made, Mr. Rockefeller, that the operators, from start to finish, had absolutely refused to meet with any representatives of the striking miners?

Mr. ROCKEFELLER, Jr. I can only speak definitely with reference to the Colorado Fuel & Iron Co., and they have always been ready, and always are ready, to meet with their men or with the representatives whom their men may elect—men working in their mines.

Commissioner WEINSTOCK. Can you tell us what was the result of this conference you spoke of? You say there was a conference at the office of Gov. Ammons, at which there was present three representatives of the striking miners, three operators, and the governor?

Mr. ROCKEFELLER, Jr. Yes.

Commissioner WEINSTOCK. Do you know what was the outcome of that gathering?

Mr. ROCKEFELLER, Jr. I have not the telegram which covers it, but my recollection was all of the points of difference, other than the recognition of the union, were covered by a suggestion made by Gov. Ammons, which he recommended to the representatives of the striking miners and to the representatives of the operators. The operators subsequently, in a letter, accepted the governor's recommendations. The representatives of the striking miners did not accept them.

Commissioner WEINSTOCK. And the result of the conference, then, was nil?

Mr. ROCKEFELLER, Jr. As I understand it.

Commissioner WEINSTOCK. And due to the fact that—have you the date, Mr. Rockefeller?

Mr. ROCKEFELLER, Jr. Yes, sir; the date of the telegram that I spoke of is May 1, in which it is referred to, but the conference was held on November 26.

Commissioner WEINSTOCK. November 26, and the strike was declared on September 23?

Mr. ROCKEFELLER, Jr. It took effect, as I understand, on September 23.

Commissioner WEINSTOCK. And this was about two months after the strike?

Mr. ROCKEFELLER, Jr. Yes, sir.

Commissioner WEINSTOCK. You say that conference failed because, while the operators were willing to abide by the decision, the workers were not?

Mr. ROCKEFELLER, Jr. The operators expressed in writing to the governor their willingness to adopt the suggestions, and the workers or the representatives of the miners were unwilling to adopt the suggestions.

Commissioner WEINSTOCK. Take up the second part.

Mr. ROCKEFELLER, Jr. As to whether "the civil and judicial machinery for obtaining such justice as the law affords was in the hands of the operators and not available to the strikers," I am not in position to state, Mr. Weinstock. I have understood testimony has been offered on both sides. I think the fact is that the election which took place in Colorado in the fall, turning out as it did, without regard to party lines, would indicate that the ballot is still powerful in that State to represent the will of the people.

Commissioner WEINSTOCK. What changes—so far as you are acquainted with the political conditions there, Mr. Rockefeller—what did that election mean in effect, the last State election?

Mr. ROCKEFELLER, Jr. It meant the election of a governor by a large majority who, as I am informed, whom the people of the State believed, would maintain the law of the State, and the reelection of an attorney general who had evidently proven satisfactory to the people of the State in his previous term of office.

Commissioner WEINSTOCK. Are both of those officers of the same political party?

Mr. ROCKEFELLER, Jr. I think they are of two political parties.

Commissioner WEINSTOCK. Then it was not, so to speak, a party victory?

Mr. ROCKEFELLER, Jr. The election was without regard to party lines.

Commissioner WEINSTOCK. It was known previously that the governor was of another political party than the previous governor? What is the answer to the third, Mr. Rockefeller, that the operators, through their agents, were the first to resort to violence, and all the violence that followed was defensive on the part of the strikers and not offensive?

Mr. ROCKEFELLER, Jr. I naturally regret, Mr. Weinstock, now that these are all matters of the past, to reopen a question of where the blame may be said to properly rest in regard to the beginning of the struggle, but the information, since you asked the question, the information that I have is that the beginning of violence was on the part of the strikers, when one of the camp marshals was killed.

Commissioner WEINSTOCK. Are you familiar with the date and place, can you specify?

Mr. ROCKEFELLER, Jr. In a letter of September 29 to me from Mr. Bowers, which has been placed on file with the commission, Mr. Bowers says that one of our marshals, who was one of the best men in our employ, was deliberately shot by Greeks when he undertook to stop them from tearing down a bridge. That, as I understand, was the first act of violence in the strike.

Commissioner WEINSTOCK. Then summing up your answers to the three propositions, as I gather, it is as follows: That it is not true, at no time after the strike, could the strikers get a hearing at the hands of the operators, because you pointed out on November 26—

Mr. ROCKEFELLER, Jr. (Interrupting). November 26.

Commissioner WEINSTOCK (continuing). There was a conference held in the office of the governor of Colorado at which were present three representatives of the striking miners, three representatives of the operators, and that the governor submitted what was, in his judgment, a fair proposition to both sides, and that the operators were willing to accept it, but that the strikers rejected it; and, second, you point to the last election in Colorado as showing that majority rules, and that the people have actually the kind of government and officers they want; and, third—

Chairman WALSH. What is your answer to that?

Mr. ROCKEFELLER, Jr. Mr. Weinstock has correctly given my answer.

Commissioner WEINSTOCK. And in answer to the third point, which reads that the operators, through their agents, were the first to resort to violence, and the violence that followed was defensive on the part of the strikers and not offensive, by the citing of that circumstance, which, to the best of your knowledge and belief, was the first act of violence that occurred after the strike was declared, and it was an instance where a representative of the mine owners had been assaulted?



Mr. ROCKEFELLER, Jr. Had killed a camp marshal.

Commissioner WEINSTOCK. A public official.

Mr. ROCKEFELLER, Jr. I would not say killed; I don't know whether he was killed or not; but this says deliberately shot.

Commissioner WEINSTOCK. If I remember rightly I was informed, as a member of the commission, and I am not sure that my information is correct, if I am in error I am sure you will correct me, that sometime after the New York January hearing, the commission came into possession of certain correspondence that you had withheld from the commission? Will you state the facts?

Mr. ROCKEFELLER, Jr. That we had withheld?

Commissioner WEINSTOCK. Yes, sir.

Mr. ROCKEFELLER, Jr. I do not know what you mean unless it is—I think I can explain that. I was asked on the stand at New York for certain correspondence, and I was asked for other information. I directed my office to secure and send to the commission the information as asked for. Within the last couple of weeks one of the members of the office force, to whom the matter had been referred, came to me and said that from a further examination of the files there had been discovered an envelope in which certain letters were filed, which I had taken to Washington at the time of the hearing before the congressional commission last April. Those letters I had myself placed in that envelope. They were letters in regard to conditions in Colorado. That envelope when I returned to New York had been filed separately, instead of the letters being put into the general files. Through this accident, therefore, those letters, which were properly included in the request by the commission, were not forwarded with the others, but immediately that they turned up, the man in the office who had had charge of the matter, had copies made and sent them at once to the commission, writing a letter explaining the cause of the error, and apologizing for his oversight in the matter.

Commissioner WEINSTOCK. The question of mine accidents was touched upon by the commission this morning, Mr. Rockefeller. Is there such a thing as a State report, or does your company keep reports of the number of accidents which have occurred in the mines in the State of Colorado?

Mr. ROCKEFELLER, Jr. I could not answer definitely, Mr. Weinstock, but I assume there must be a State report.

Commissioner WEINSTOCK. Do you know as a matter of fact, Mr. Rockefeller, whether the number of accidents in the mining company in which you are interested are greater or less than the other coal companies in the State of Colorado?

Mr. ROCKEFELLER, Jr. I do not know from definite knowledge.

Commissioner WEINSTOCK. Is that information available, do you know?

Mr. ROCKEFELLER, Jr. I would think it could be ascertained from the officers of the company. My impression has always been that the number of accidents, taken the year as a whole, was less than in other mining camps.

Commissioner WEINSTOCK. Was less in the Colorado Fuel & Iron Co.?

Mr. ROCKEFELLER, Jr. Yes, sir; that is my impression; but I would not like to state it as a fact.

Commissioner WEINSTOCK. I think that this also has been brought out in the testimony, that so long as the National Guards, who were called out in Colorado during the strike, did not permit so-called strike breakers to enter the mine there was no trouble; that the violence began when the National Guards of Colorado permitted the so-called strike breakers to enter the mines and to take the jobs vacated by the strikers. Now, can you tell us whether the Federal troops, when sent there by the Federal authorities, did or did not protect nonunion workers brought into the mines?

Mr. ROCKEFELLER, Jr. I understand that the Federal troops protected any worker in the mines.

Commissioner WEINSTOCK. Then the Federal troops did precisely what the State troops did—that is, they protected all workers whether or no they were unionized or nonunion?

Mr. ROCKEFELLER, Jr. That is what I have understood. I have no reason to think otherwise.

Commissioner WEINSTOCK. The chairman calls my attention to the fact that he was under the impression that the order was issued, I think, by the President, that the protection should be limited to the men living in Colorado, but if my memory serves me right, I am under the impression that that order was modified, and that there was no limitation put upon the protection of the workers. Have you any information on that point?

Mr. ROCKEFELLER, Jr. My recollection was that men who applied at the mining camps were to be put to work, but the men who applied at the Denver office would not be sent down to the various mining camps. That is the only restriction that I recall, Mr. Weinstock; but I couldn't speak from a definite knowledge on that subject.

Commissioner WEINSTOCK. That is all, Mr. Rockefeller.

Chairman WALSH. Just a question or two. I believe, though, that I said we would let you leave at 3 o'clock, and I believe I will. You may be excused now.

Mr. ROCKEFELLER, Jr. Thank you, very much. May I before leaving hand you two telegrams which have been received to-day, unsolicited, one from J. F. Welborn and one from W. W. Wilson, which you may put in the record if you see fit. I have copies made of the originals, and if you will allow me to keep the originals I will leave the copies with you.

Chairman WALSH. I thank you. You will be excused.

I would like to make a little statement in the record, by agreement with Mr. Weinstock, so that there will be no misunderstanding on the question that arose on the opening question by Mr. Weinstock to Mr. Rockefeller. It is to this effect, that public hearings of the Commission on Industrial Relations are managed by a subcommittee, called a committee on public hearings, of which Mr. Weinstock is not a member. When that committee was created the members of the commission were all invited, all notified that they should give all of the time they possibly could to attendance upon that committee, and to get up the plans and details of the public hearings, and that the chairman repeatedly urged upon the members of the commission, including Mr. Weinstock, that they should attend the committee on public hearings and give all the time they possibly could from their other affairs to the management of the details of these public hearings, the suggestions to witnesses, the summoning of witnesses, and the topics on which the witnesses were to be examined.

That is a statement made, of course, by agreement.

#### TESTIMONY OF MR. IVY L. LEE.

Chairman WALSH. I might make the announcement that these hearings will have to be continued over into next week, and therefore there will be no further witness called this afternoon. Mr. Lee will be the last witness.

Your full name, I believe, is Ivy L. Lee?

Mr. LEE. Yes, sir.

Chairman WALSH. You reside in the city of New York now?

Mr. LEE. Yes, sir.

Chairman WALSH. And you have appeared before this commission before?

Mr. LEE. Yes, sir.

Chairman WALSH. And have given your employment and your history up to this time in a general way?

Mr. LEE. I have.

Chairman WALSH. I am going to address your attention to some particular questions, Mr. Lee. In a letter of June 10, 1914, from Mr. John D. Rockefeller, jr., to you, Mr. Rockefeller writes as follows:

"Several points in my memorandum, however, could well even more appropriately be used in the letter from Gov. Ammons to President Wilson, which you are proposing to prepare as soon as the major's memorandum reaches you, which I hope will be very shortly."

Again, on June 11, 1914, you wrote Mr. John D. Rockefeller, jr.:

"I am inclined to think that at the moment the best thing we can do would be to give the letter from Gov. Ammons to President Wilson our attention, and I hope that we can accomplish something very soon."

On July 2, 1914, the letter submitted here—the copy of the letter—shows that you wrote to Mr. John D. Rockefeller, Jr., as follows:

"With reference to the letter for Gov. Ammons, I am not entirely satisfied with the draft I prepared, and I am making certain amendments to it. I sent out a draft for discussion, but will get it into shape in a day or so, and then send you a copy of it. The idea—and it is a difficult idea to execute—is to prepare a very brief statement of the case which will command public attention rather than to make any very comprehensive statement of the situation."

Do you recall those quotations as having been contained in those letters?

Mr. LEE. I do.

Chairman WALSH. The major referred to in the first letter, I understand, is Maj. Boughton—Maj. Edward C. Boughton?



Mr. LEE. Edward J. Boughton, I think.

Chairman WALSH. Edward J. Boughton?

Mr. LEE. Yes, sir.

Chairman WALSH. And Maj. Edward J. Boughton was a major in the Colorado Militia?

Mr. LEE. Yes, sir.

Chairman WALSH. He was the advocate general who presided over the military court at Trinidad that dealt with the strikers that were brought before him?

Mr. LEE. I do not know as to that.

Chairman WALSH. You have learned that since you have been in this publicity business, have you not?

Mr. LEE. I do not recall having that fact in my mind, Mr. Walsh.

Chairman WALSH. Was there not much written in the so-called "facts" in regard to the struggle for industrial freedom about Maj. Boughton and his military court?

Mr. LEE. I do not doubt the fact, but I do not recall it in my mind at the moment.

Chairman WALSH. You do not recall now that Maj. Boughton was advocate general and presided over the military court?

Mr. LEE. All I know of Maj. Boughton is that he was advocate general of Colorado. What he did I do not know.

Chairman WALSH. Did you not read the report more than once made by the military commission presided over by Gen. Boughton, with reference to the Ludlow massacre?

Mr. LEE. Is that the general pamphlet report that was made by the militia?

Chairman WALSH. Yes, sir; it was a report made by the military commission.

Mr. LEE. I read a report.

Chairman WALSH. It was the military commission consisting of Maj. Edward J. Boughton, Capt. Danks, and Capt. van Cise.

Mr. LEE. I read a report. I do not know whether that is the one you have in mind or not.

Chairman WALSH. When did you first meet Maj. Boughton?

Mr. LEE. I met him in New York. I do not recall the exact date. It was some time around the middle of June.

Chairman WALSH. Well, now, Mr. Rockefeller's first letter to you is dated June 10. It says:

"Several points in my memorandum, however, could well even more properly be used in the letter from Gov. Ammons to President Wilson, which you are proposing to prepare as soon as the major's memorandum reaches you, which I hope will be very shortly."

Was there a letter designed to be sent by Gov. Ammons to President Wilson before you saw Maj. Boughton?

Mr. LEE. I can tell you what happened. Mr. Greene, of Mr. Rockefeller's office, saw Maj. Boughton—

Chairman WALSH. Who was Mr. Greene?

Mr. LEE. He was one of Mr. Rockefeller's staff.

Chairman WALSH. Was he also a director at that time of the Colorado Fuel & Iron Co.?

Mr. LEE. Yes, sir.

Chairman WALSH. You took his place, I believe?

Mr. LEE. Yes, sir. Mr. Greene told me that Maj. Boughton was in New York representing the governor, and that the governor had been very much concerned over the misunderstanding which prevailed in the East concerning various phases of the strike situation. He said that Maj. Boughton was extremely anxious to get suggestions as to how the facts might be brought more adequately to public attention, and it was through Mr. Greene that I made the first suggestion to Maj. Boughton that it might be a good idea if the governor of Colorado should write a letter to the President of the United States, and also to the governors of the other States, setting forth the situation as he saw it.

Chairman WALSH. You made that suggestion to whom?

Mr. LEE. I made that suggestion to Maj. Boughton through Mr. Greene before I met Maj. Boughton.

Chairman WALSH. Where was Maj. Boughton when you had this conversation with Mr. Greene, if you know?

Mr. LEE. I do not know. I think he was in New York.

Chairman WALSH. He was in the city of New York when you had this talk with Mr. Greene?

Mr. LEE. Yes, sir.

Chairman WALSH. Proceed.

Mr. LEE. Then Mr. Greene, I think, gave that suggestion to Maj. Boughton, and Maj. Boughton told Mr. Greene—so Mr. Greene told me—that he did not know how the governor would regard such a suggestion, but that he, Maj. Boughton, would be glad to consider it if I would prepare any concrete illustration of the idea I had in mind as to the kind of letter which might be written, and which would do good. In order to get the governor's ideas—

Chairman WALSH. Be good for whom?

Mr. LEE. For the general cause.

Chairman WALSH. Not for the Colorado Fuel & Iron Co.?

Mr. LEE. The Colorado Fuel & Iron Co., Mr. Chairman, no less than other coal companies in this situation, and also the State of Colorado, had been accused of practically equipping a private army, and that was, we all felt, a reflection on the State as well as the company.

Chairman WALSH. Were you a resident of the State of Colorado?

Mr. LEE. Was I?

Chairman WALSH. Yes, sir.

Mr. LEE. No, sir.

Chairman WALSH. Had you ever been in Colorado up to that time?

Mr. LEE. No, sir; so it was felt, in the common interest, that that point should be cleared up, and that was a point about which Maj. Boughton was very keen, and he said the governor was very keen—that that misunderstanding should not exist. Therefore, I made the suggestion to Maj. Boughton, through Mr. Greene, and I had word from Mr. Greene that Maj. Boughton would send the memorandum of the points we had in mind to Gov. Ammons, the governor of Colorado. Some days after that I met Maj. Boughton—

Chairman WALSH. How many days after?

Mr. LEE. I do not recall, but about a week, I should think. Maj. Boughton went over the situation with me and told me how utterly ineffective he had found any efforts he could devise to produce a better understanding in the East of things in Colorado. He told me then that perhaps it would be better to issue an open statement to the American people on the subject, such a statement to be issued by the governor.

Chairman WALSH. When was that, in reference to that first conversation with Mr. Greene?

Mr. LEE. I think within a week. I do not recall the exact dates. It made no special impression on my mind, because it was the kind of suggestion that is constantly being made to men in public and private life to take up.

Chairman WALSH. To governors?

Mr. LEE. To governors and to high officials in public life generally.

Chairman WALSH. That is, to have the publicity men of corporations draft letters?

Mr. LEE. To have private citizens suggest—

Chairman WALSH (interposing). You were doing this as a private citizen?

Mr. LEE. I was doing this—certainly, as a private citizen.

Chairman WALSH. Not as publicity agent for the Colorado Fuel & Iron Co.?

Mr. LEE. Certainly not.

Chairman WALSH. All right; go ahead.

Mr. LEE. But I would have done it just as promptly in that capacity. I make no apology for the suggestion. It so happens that the suggestion was not carried out. It was submitted to Maj. Boughton. A draft of the memorandum was prepared and sent to him for his consideration, and Maj. Boughton has since told me that he went no further with the suggestion. The suggestion was not acted upon. But I insist that the suggestion was a perfectly proper one, and under similar circumstances I would make it again.

Chairman WALSH. It is customary, I believe you say, to do that?

Mr. LEE. It is customary for private citizens in all ranks of life to make suggestions to public officials.

Chairman WALSH. Would you have made that suggestion to Maj. Boughton or to Mr. Greene to be conveyed to Maj. Boughton if you had not been working for the Colorado Fuel & Iron Co. or for Mr. Rockefeller, I believe?

Mr. LEE. Very likely I would not. I probably would not have come in contact with him. If I had come in contact with him as a private citizen and as



a friend, and if he had asked me, I would have made him any suggestions that occurred to me in the same way.

Chairman WALSH. When did you see Maj. Boughton to find out what became of the draft and memorandum which you had made for the governor?

Mr. LEE. I saw Maj. Boughton for a few moments when I was in Colorado last August. I do not know whether the subject was mentioned then or not, but I also saw him in New York a few weeks ago, since this statement of yours appeared in the press, and since Mr. Rockefeller made his answer to that statement.

Chairman WALSH. Did you write it for him?

Mr. LEE. Mr. Chairman, that is a confidential matter between Mr. Rockefeller and myself.

Chairman WALSH. You wrote it for him, didn't you, Mr. Lee?

Mr. LEE. I decline to answer.

Chairman WALSH. On what ground?

Mr. LEE. On the ground that it has nothing to do with industrial relations.

Chairman WALSH. There is nothing about it that would tend to incriminate you or anything of that sort?

Mr. LEE. Of course not. It is simply a confidential matter between Mr. Rockefeller and myself concerning which I feel Mr. Rockefeller is the only person empowered to speak.

Chairman WALSH. Maybe if I would give you briefly my view, probably you would have a different opinion. An attempt is being made by this commission to fix the actual responsibility for industrial conditions in Colorado and elsewhere, and Mr. Rockefeller, being a director and possessing the vastly greater influence which he enjoys or possesses on account of the extent of his investment, is being considered as one of the factors, if not the largest factor, in the employing situation so far as the employers are concerned; and in attempting to fix that responsibility it had occurred to me that it is very important to know whether the action taken by Mr. Rockefeller is really his action and the statements made by him are really his statements, or yours, for instance.

Mr. LEE. Mr. Chairman, as to that I can only tell you that I have never known a man to be more careful and more conscientious and more painstaking about scrutinizing every line that went out over his name, whether he wrote it or whether somebody else assisted in writing it or not. I have had more or less experience with such matters, and I never knew of a man in his class doing that. Any statement Mr. Rockefeller makes to the public you may be sure he has gone over it with a fine-tooth comb.

Chairman WALSH. He likewise thinks very well of you, and has stated it, Mr. Lee. But my point was that in fixing the actual responsibility we would like to know whether the statement is Mr. Rockefeller's or some one else's.

Mr. LEE. Mr. Rockefeller has stated as clearly as words can state that every statement he puts out is his statement.

Chairman WALSH. Then you decline to answer the question. I will put it to you plainly. Is it not a fact that the statement read to this commission as a preliminary statement by Mr. Rockefeller was written by you and not by Mr. Rockefeller?

Mr. LEE. As Mr. Rockefeller has answered that question himself, I will say that it was written by him.

Chairman WALSH. That is, that he dictated it to a stenographer?

Mr. LEE. He did.

Chairman WALSH. I will ask you if this statement with reference to the proposed letter from Gov. Ammons to the President, which was published in the newspapers as the statement of John D. Rockefeller, jr., was not in reality written by you and not by Mr. Rockefeller?

Mr. LEE. Let me get clearly just what you mean? What statement do you refer to?

Chairman WALSH. The statement published in the newspapers with reference to the drafting of a letter for Gov. Ammons to be sent to the President, and perhaps the governors of other States.

Mr. LEE. Do you mean Mr. Rockefeller's published statement?

Chairman WALSH. Yes, sir.

Mr. LEE. That was his statement.

Chairman WALSH. Was it written by you?

Mr. LEE. I decline to answer.

Chairman WALSH. We will pass that question for the present. The matter of compelling or attempting to compel you to answer that question will be taken

up at a later date by the commission, and if we conclude to do it, we will issue a process hereafter.

Mr. LEE. I will state, Mr. Chairman, that if the commission as a commission decides that they would like to have that question answered, I have no doubt Mr. Rockefeller would be willing to let me answer it.

Chairman WALSH. Suppose we were to do that, how would you get into communication with Mr. Rockefeller?

Mr. LEE. I think he has left the city for the moment.

Chairman WALSH. Very well; we will take the matter up later.

Mr. LEE. Personally I have not the slightest objection to answering it, but I do not believe that in my confidential relation to Mr. Rockefeller I have a right to answer it without his permission.

Chairman WALSH. We will take it up later, but we may forego the question as not being of sufficient importance.

Would you be kind enough to show me the memorandum which Mr. Rockefeller referred to in his letter of June 10, which he said he thought could well even more appropriately be used in the letter to Gov. Ammons?

Mr. LEE. That was supplied to you by Mr. Rockefeller.

Chairman WALSH. I thought he took it back, because I tried to find it and could not find it.

Mr. LEE. It was a clipping from the New York Times. I would be glad to get you another copy.

Chairman WALSH. I think possibly I can get it. You got that memorandum from Mr. Rockefeller, and did you use it in the draft of the proposed letter which it was intended to have Gov. Ammons sign?

Mr. LEE. I should be glad to supply the commission with a copy of the draft which I sent to Maj. Boughton. I think you will see, then, there is very little relationship.

Chairman WALSH. I am asking you now, because I haven't it at hand. Have you the draft you sent to Maj. Boughton?

Mr. LEE. I do not have it here.

Chairman WALSH. Where is it and how can you supply it?

Mr. LEE. It is in my office in New York.

Chairman WALSH. It is in your office in New York?

Mr. LEE. Yes.

Chairman WALSH. Of course, not having it at hand, I can not examine you about it.

Mr. LEE. I will state very definitely that there is very little relationship between them.

Chairman WALSH. You did not include, then, in the draft of the letter for Gov. Ammons but very little of the memorandum that was sent to you by Mr. Rockefeller?

Mr. LEE. I do not recall that I included any of it.

Chairman WALSH. But the memorandum itself will show?

Mr. LEE. Certainly.

Chairman WALSH. And you say you will send that to us?

Mr. LEE. I will be very glad to.

Chairman WALSH. On June 11 Mr. Lee wrote Mr. Rockefeller: "I am inclined to think that at the moment the best thing we can do will be to give the letter from Gov. Ammons to President Wilson our attention, and I hope we can accomplish something very soon."

When did you see Maj. Boughton with reference to the time you had this talk with Mr. Greene?

Mr. LEE. I can't give you any more information than I gave you a few moments ago.

Chairman WALSH. You think it was about a week afterwards?

Mr. LEE. I think it was about the middle of June.

Chairman WALSH. That would take us to June 16 or 17—along there. Now, where did you first meet Maj. Boughton?

Mr. LEE. I met him at the Waldorf, in New York.

Chairman WALSH. And who was present?

Mr. LEE. Maj. Boughton and myself.

Chairman WALSH. Did you meet by appointment?

Mr. LEE. We did.

Chairman WALSH. Had you ever met Maj. Boughton before?



Mr. LEE. No.

Chairman WALSH. Did you meet him in your capacity as a private citizen, or did you do it as part of the compensation that was afterwards paid you by Mr. John D. Rockefeller, sr.?

Mr. LEE. I was introduced to Maj. Boughton by Mr. Greene, Mr. Chairman.

Chairman WALSH. Where?

Mr. LEE. Well, Mr. Greene made the appointment for me to see Mr. Boughton.

Chairman WALSH. Well, Mr. Greene introduced you.

Mr. LEE. He made the appointment for me to meet him at the Waldorf.

Chairman WALSH. Did he introduce him individually?

Mr. LEE. He told me Maj. Boughton would like to have me meet him.

Chairman WALSH. Then what did he tell you?

Mr. LEE. He asked me if he could make an appointment for me to call on Maj. Boughton.

Chairman WALSH. And you told him all right?

Mr. LEE. Yes, sir.

Chairman WALSH. And you never saw Maj. Boughton before in your life?

Mr. LEE. No.

Chairman WALSH. Didn't Mr. Rockefeller write you to Philadelphia and suggest that you should meet Maj. Boughton?

Mr. LEE. Why, I don't recall that, whether he wrote me such a letter or not, Mr. Chairman. He may have.

Chairman WALSH. Now, you were writing bulletins at that time, setting forth what you said was a history of the struggle for industrial freedom in Colorado, and you were actually engaged in that work in Philadelphia at the time this was going on?

Mr. LEE. I don't recall whether any bulletins had been issued up to that date or not.

Chairman WALSH. I will ask you if you did not write a letter to Mr. Rockefeller on June 13, setting forth certain information and concluding with this paragraph:

"I have written Mr. Greene, asking him to make an appointment for me to see Maj. Boughton next Tuesday afternoon, and I shall be glad to communicate with you upon my arrival in New York and arrange as to when and where I shall meet you."

Mr. LEE. Now, Mr. Chairman, those are two distinctly different events and occasions that you are confusing in that paragraph. If you will read the whole of that letter, you will see there is a reference in it to an invitation which Mr. Rockefeller had extended to me to spend the night at his house; and that reference to meeting him was with reference to that invitation, and—

Chairman WALSH (interrupting). I will read the whole letter.

Mr. LEE. I hope I am correct as to that point.

Chairman WALSH. You are absolutely correct. It refers to that and a number of other things, but I will read it all:

"DEAR MR. ROCKEFELLER: The various documents you have sent me have been received, and I am giving them careful consideration."

What were the documents

Mr. LEE. I can't tell you at this moment, Mr. Chairman.

Chairman WALSH. Were they matters to be published in a campaign, to be designated as a union educational campaign?

Mr. LEE. They were not.

Chairman WALSH. How do you know, if you don't remember what they were?

Mr. LEE. Because there was no union educational campaign.

Chairman WALSH. Oh! Were they documents with reference to publicity about the strike of the workmen of the Colorado Fuel & Iron Co.?

Mr. LEE. They may have been documents with reference to the strike.

Chairman WALSH. What did you think Mr. Rockefeller meant in his letter when he said we can use this Stevenson article in connection with our Colorado—or our union educational campaign? What did you think he meant?

Mr. LEE. I think he meant that that was a document that might be considered with a view to distributing copies of it. I certainly never took it as meaning beyond that, because I never distributed any copies of it.

Chairman WALSH. What did he mean by your union educational campaign?

Mr. LEE. I can't tell anything on that point more than what Mr. Rockefeller said himself.

Chairman WALSH. What did you think he meant—that he meant there was a union educational campaign then going on?

Mr. LEE. There was none going on at the time, and I didn't think there was or was not going to be one. Mr. Rockefeller and I had discussed a great many questions with reference to publicity, and with reference to the wisdom or unwisdom of issuing publicity material concerning various questions relating to unions.

Chairman WALSH. Was the subject discussed?

Mr. LEE. It was; but nothing ever came of it.

Chairman WALSH. Is Mr. Rockefeller also a man that is very careful about what he writes?

Mr. LEE. Yes.

Chairman WALSH. Careful in his phrasing?

Mr. LEE. Yes.

Chairman WALSH. Then, when you saw him, and never having heard of the union educational campaign before, did you ask him what he meant in that letter by referring to an educational campaign?

Mr. LEE. I don't recall that circumstance, Mr. Chairman. That letter was written practically a year ago. All I know is that nothing of the kind was done. We talked of such a plan, but never did anything with it.

Chairman WALSH. Well, you sent out a great number of bulletins after that, did you not—those Colorado bulletins?

Mr. LEE. I sent out no bulletins.

Chairman WALSH. Well, your office boy or stenographer.

Mr. LEE. I prepared bulletins under the direction of the committee at Denver, which were sent out by the Colorado operators.

Chairman WALSH. Did you actually write the bulletins and send them out from an office in Philadelphia to Denver, to be mailed from Denver?

Mr. LEE. Most of the bulletins, Mr. Chairman, were quotations from documents written by other people. Some of the material in some of the bulletins was written by Mr. Welborn, some written by others. I, as a matter of fact, actually wrote very little of it. I edited it, and saw to its being printed, and sent to Denver. No question about that.

Chairman WALSH. That is what I meant. I asked you the question to direct your attention to these bulletins and how they were sent out.

Mr. LEE. I think I testified very fully on that point before the commission in January.

Chairman WALSH. I was just asking you that to make clear another question about a matter that I was going to ask you later on. You were engaged in June, 1914, in writing, to a very small extent, and putting together what had been written by Mr. Welborn and others, and editing it and printing it, and either you or your office sent it out to Denver, what is known now as the Colorado bulletins.

Mr. LEE. I think now we understand each other.

Chairman WALSH. Understand each other perfectly. So, hereafter, as I refer to that as your sending out those bulletins—

Mr. LEE (interrupting). Well, I won't accept the description.

Chairman WALSH. Well, then, we will go over that each time. I will continue with the letter:

"The various documents you have sent me have been received, and I am giving them careful consideration. I have not received the series of articles by your father published in the World's Work. I remember reading them at the time, but shall be glad to read them again, as I would, of course, now go over them much more carefully."

When were those published in the World's Work?

Mr. LEE. I don't recall. I should say about 1905.

Chairman WALSH. You were not connected with either of the Rockefellers at that time?

Mr. LEE. No.

Chairman WALSH (reading.):

"I remember reading them at the time, but shall be glad to read them again, as I would, of course, now go over them much more carefully."

"The information from Mr. Easley is most interesting. I feel that about the third bulletin we should get out would be one summarizing the present strike situation in Colorado. It was with that idea in mind that I wrote the letter to Mr. Welborn."



"The printing of the bulletins is going ahead, and we expect to get the first bulletin out next week. There has been some delay owing to the fact that I want to get a typographical arrangement which is exactly as I think it should be."

You say there, "We expect to get the first bulletin out next week." Who were "we"?

Mr. LEE. Well, that referred to my office.

Chairman WALSH. You and the stenographer and the office boy and the other employees of the office?

Mr. LEE. Yes.

Chairman WALSH. And at that time you were expecting to get a bulletin out yourself right there, weren't you?

Mr. LEE. Mr. Chairman, I think you understand just exactly how that was done. There was never any thought of issuing any—

Chairman WALSH (interrupting). I am trying to save time by agreeing upon a term. I am going to refer to this as your "getting out the bulletins," with that understanding that you had in that letter.

Mr. LEE. If you add the proviso that every bulletin was sent out by the Denver operators I will agree to it.

Chairman WALSH. That is, that you furnished the mailing list yourself to the Denver operators, and the bulletins were shipped from your office to Denver, and sent out to persons included in the mailing list that you furnished?

Mr. LEE. Yes, sir. I don't want to take up time—

Chairman WALSH. I do want to get it straight. Were they not sent out in folders addressed by you, or your staff, from Philadelphia to Denver?

Mr. LEE. No; they were sent out in boxes, separately from the envelopes. The envelopes and the bulletins were sent out separately, the idea being that in the event that the Denver operators saw anything in any of the bulletins after they were printed, that they were not prepared to stand for in full, that they would not then waste the time of inclosing them in the envelopes.

Chairman WALSH. Did you send them proofs?

Mr. LEE. Yes, sir; when any bulletin involved a statement which was not a quotation from some other document. In cases where it was a mere quotation, as some of the bulletins were, I sent no proof.

Chairman WALSH. Now, when those envelopes which you sent to Denver—those envelopes which you sent to Denver already had the address on them?

Mr. LEE. Yes, sir.

Chairman WALSH (reading). "The printing of the bulletin is going ahead and we expect to get the first bulletin out next week. There has been some delay owing to the fact that I want to get a typographical arrangement which is exactly as I think it should be. After the first one is gotten exactly as we want it, the following ones can go ahead on just the same lines. My plan is that after we get this started, to get one out about twice a week for some months. The accumulative effect of this should be valuable.

"I have written Mr. Greene asking him to make an appointment for me to see Maj. Boughton next Tuesday afternoon, and I shall be glad to communicate with you upon my arrival in New York and arrange as to when and where I shall meet you. I am looking forward with pleasure to spending Tuesday night at your home.

"Very truly, yours,

"IVY L. LEE."

Now, that is the whole letter.

Mr. LEE. Yes, sir.

Chairman WALSH. Now, did you meet Maj. Boughton at the time indicated in that letter?

Mr. LEE. As far as I recall, I did.

Chairman WALSH. And you had never met him before?

Mr. LEE. No.

Chairman WALSH. And did you have an expense account with the Rockefeller interests?

Mr. LEE. I did.

Chairman WALSH. You had had some cash advanced to you for expenses?

Mr. LEE. I had.

Chairman WALSH. And out of that expense account you paid your expenses to New York at that time?

Mr. LEE. I should be glad to send you an itemized statement of expenses incurred in the publicity campaign.

Chairman WALSH. I am asking you about your recollection about that one time, did you pay your expenses to New York at that time out of this expense money which had been advanced to you by the Rockefeller interests?

Mr. LEE. I do not recall, because I was in New York on other business at the various times, and if I was there on other business it would not have been charged to Mr. Rockefeller.

Chairman WALSH. You say you have furnished the itemized account?

Mr. LEE. No, sir; but I should be very glad to.

Chairman WALSH. Please furnish us with the itemized account of your expenses, or the expenses of this publicity campaign?

Mr. LEE. I should be very glad to do so.

Chairman WALSH. And that will show whether or not the expense of this trip to New York was paid out of that?

What I am trying to locate, if possible, is that everything you did, to be plain about it, in connection with Maj. Boughton, you did as a representative of Mr. Rockefeller or the Colorado Fuel & Iron Co.

Mr. LEE. I will not contest that point for a minute.

Chairman WALSH. I thought you said a while ago that you thought what you did was as a private citizen?

Mr. LEE. I didn't mean to maintain that in any exclusive sense. I am perfectly willing to concede that.

Chairman WALSH. All right, I will leave that point.

Then as representative of Mr. Rockefeller, or the Colorado Fuel & Iron Co., you met Maj. Boughton?

Mr. LEE. Yes, sir; and he knew of my relations with Mr. Rockefeller; I didn't meet him on behalf of Mr. Rockefeller.

Chairman WALSH. You met him as the representative of Mr. Rockefeller, but not on behalf of Mr. Rockefeller?

Mr. LEE. I met him with full knowledge on Maj. Boughton's part as to my relations with Mr. Rockefeller.

Chairman WALSH. What did you meet him for?

Mr. LEE. To talk over the Colorado situation.

Chairman WALSH. What for—to get up the letter for Gov. Ammons?

Mr. LEE. I don't recall.

Chairman WALSH. Now, remember, this was the 13th, and on the 10th Mr. Rockefeller wrote and sent you some points in a memoranda that he thought would be good for a letter of that kind, and you wrote him on the 11th and said you thought the best thing he could do was to give the letter from Gov. Ammons to President Wilson his attention, and that you hoped to accomplish those things soon; and then you came down on the 19th to meet Maj. Boughton. What did you meet him for?

Mr. LEE. To talk over the whole Colorado situation. You must remember at that time I had only been connected with the Colorado situation for about two weeks and knew very little about it, and the primary thought was that I could learn from him things that would be helpful; naturally I expected to discuss with him this very letter.

Chairman WALSH. Was not that the chief thing and the only thing that you came down for?

Mr. LEE. I would not say so.

Chairman WALSH. Now, just explain anything else that you wanted to see Maj. Boughton about, in greater detail, if you can. Any particular thing that you wanted to see him about at that time.

Mr. LEE. I can not add anything to what I said a few minutes ago on that subject.

Chairman WALSH. Was there any other person present in your interview with Maj. Boughton?

Mr. LEE. No.

Chairman WALSH. You had been advised, I believe you said, that he was a direct representative of the governor of Colorado?

Mr. LEE. Yes.

Chairman WALSH. Did you read this letter, or has your attention been called to the letter by Mr. Bowers that they had finally whipped the governor into line?

Mr. LEE. I did not.



Chairman WALSH. You didn't know that letter was in existence?

Mr. LEE. No, sir; I did not.

Chairman WALSH. Did you know from anybody connected with the Rockefeller interests that they had the governor in line?

Mr. LEE. No such suggestion was made to me.

Chairman WALSH. Was there anybody else present during your conversation with Maj. Boughton at the Waldorf Hotel?

Mr. LEE. No.

Chairman WALSH. Where was the conversation had?

Mr. LEE. In Maj. Boughton's room.

Chairman WALSH. What did you say to him about this letter? I wish you would just first give us the substance of the conversation that you had with Maj. Boughton, as well as you can remember, right from the beginning to the end.

Mr. LEE. Mr. Chairman, I can not do that. I made the suggestion to Maj. Boughton, through Mr. Greene, and I probably repeated it to him in our conversation, that I thought it would be a wise thing for the governor to do.

Chairman WALSH. To do what?

Mr. LEE. To write such a letter or make such a statement to the public.

Chairman WALSH. To the public or to the President?

Mr. LEE. Both. I thought it would be wise for the governor to take some specific action, and in his official capacity to get his advice before the American people on the subject, and I may have suggested various ways to Maj. Boughton of doing it. I don't recall, but I suggested anything that occurred to me at the moment.

Chairman WALSH. How long were you there with Maj. Boughton?

Mr. LEE. I don't recall.

Chairman WALSH. Can you remember the substance of a single thing which you said to Maj. Boughton or that he said to you?

Mr. LEE. Not beyond what I have stated.

Chairman WALSH. If my memory serves me right, you have not stated anything. Can you remember the substance of any statement you made to Maj. Boughton, or he to you, in that conversation at the Waldorf Hotel?

Mr. LEE. A good deal of that conversation with Maj. Boughton was his talking to me about the conditions in Colorado as he saw them. I have heard so many people talk on that subject that I can not tell specifically what he said to me.

Chairman WALSH. Did you write down what he said to you?

Mr. LEE. No; I did not.

Chairman WALSH. Did you make any notes of what he said to you?

Mr. LEE. I did not.

Chairman WALSH. Did you see him any more in the city of New York?

Mr. LEE. I may have; I don't recall.

Chairman WALSH. Do you remember whether you did or not?

Mr. LEE. I just answered that question.

Chairman WALSH. You may have seen him; but you don't recall having seen him in New York again?

Mr. LEE. I may have; I don't recall.

Chairman WALSH. Did you go back to Philadelphia?

Mr. LEE. Probably; I live there.

Chairman WALSH. Do you remember when you went back?

Mr. LEE. I do not.

Chairman WALSH. Now, you think that was in the middle of June; now, when you got back to Philadelphia did you go to work on the letter for Gov. Ammons?

Mr. LEE. Just when I went to work on such a letter, I don't recall.

Chairman WALSH. Did you go to work on the letter after you got back to Philadelphia, to Gov. Ammons?

Mr. LEE. Some time thereafter I went to work on a suggested draft of a letter which might have been used by Gov. Ammons if he had so desired.

Chairman WALSH. And for that work you were paid by Mr. John D. Rockefeller, sr., afterwards?

Mr. LEE. Yes, sir.

Chairman WALSH. Now, you prepared one draft before July 2, and that is the one you wrote about with reference to the letter from Gov. Ammons, "that I am not entirely satisfied with draft I prepared, and am making certain amendments to it." Did you make an amendment to the first draft?

Mr. LEE. No other draft was sent.

Chairman WALSH. You said you were not entirely satisfied with the draft you had prepared, and was making certain amendments to it. Did you make amendments to that draft?

Mr. LEE. I had the draft before me, and was thinking about it, and was trying to improve it, but it so happened that I never sent another draft or did anything further with the matter.

Chairman WALSH. You never did anything further with the matter?

Mr. LEE. No, sir.

Chairman WALSH. You sent it to Maj. Boughton afterwards?

Mr. LEE. I sent it to Maj. Boughton. I wrote the letter to Mr. Rockefeller concerning the draft which I referred to in one of these letters as sent out to Maj. Boughton for discussion.

Chairman WALSH. You sent out the draft you made on July 2 to Maj. Boughton?

Mr. LEE. Yes.

Chairman WALSH. Where was he located then?

Mr. LEE. Denver.

Chairman WALSH. Did he acknowledge receipt of that?

Mr. LEE. I don't know.

Chairman WALSH. Did you send him a letter inclosing that?

Mr. LEE. I did.

Chairman WALSH. Have you a copy of that letter?

Mr. LEE. Probably.

Chairman WALSH. Have you seen it lately?

Mr. LEE. Yes, sir.

Chairman WALSH. Will you send Mr. Manly a copy of that letter?

Mr. LEE. Gladly.

Chairman WALSH. Can you state the substance of it?

Mr. LEE. Yes, sir.

Chairman WALSH. Please do so, and maybe we can get along without it.

Mr. LEE. That I inclosed a draft of letter or statement that might be made to the public, and suggested that if the governor approved of it and sent it out that it would be a good idea for him to send copies of it to the governors of the other States, and suggested that the matter be very carefully considered, and if any revision was made, that it be made in the direction of greater brevity, and that copies of it when they were sent out by the governor should also be given to the press. That was the substance of the letter.

Chairman WALSH. Then, you did not make any reference in that letter to sending it to the President by Gov. Ammons?

Mr. LEE. No, sir.

Chairman WALSH. I see that your letter of June 11 here, "I am inclined to think that at the moment the best thing we can do would be to give the letter from Gov. Ammons to President Wilson our attention."

Mr. LEE. Yes, sir; and you will remember I told him that I had my interview with him, and he suggested that probably a statement to the American public would be better.

Chairman WALSH. And so you changed your mind about how you would address that letter, and you did not send him any draft to be addressed to the President?

Mr. LEE. I did not.

Chairman WALSH. The suggestion, then, was that the draft of that letter should be sent to the public and to the governors of other States?

Mr. LEE. That is right.

Chairman WALSH. Is that correct?

Mr. LEE. That is right.

Chairman WALSH. Were you informed at the time you had this interview with Mr. Boughton that in addition to being a major in the State Militia of Colorado he was the attorney—he was a lawyer, was he not?

Mr. LEE. Yes.

Chairman WALSH. That he was the attorney by the year for the metalliferous miners?

Mr. LEE. I do not recall, Mr. Chairman, any such information having been given to me.

Chairman WALSH. Did you know that, or do you know it now?

Mr. LEE. I know it now. That is, I say I know it—

Chairman WALSH. You have heard his testimony, probably?



Mr. LEE. I know it in a general way. I could not testify to it.

Chairman WALSH. And that certain of the directors of the company that employed him annually were also directors in certain of these coal companies that were involved in the strike in southern Colorado?

Mr. LEE. I did not know that.

Chairman WALSH. You did not know that?

Mr. LEE. No, sir.

Chairman WALSH. You have not learned that yet, if it is a fact?

Mr. LEE. No.

Chairman WALSH. After this letter was prepared, or this draft of a letter was prepared, you sent it to Maj. Boughton?

Mr. LEE. Yes.

Chairman WALSH. Who else did you send it to?

Mr. LEE. I might have sent a copy of it to Mr. Welborn.

Chairman WALSH. Did you?

Mr. LEE. I say I may have.

Chairman WALSH. What is your best recollection at this time?

Mr. LEE. My best recollection is that I did.

Chairman WALSH. Who else?

Mr. LEE. That is all, as I recall it.

Chairman WALSH. You sent one to Maj. Boughton and one to Mr. Welborn, who was at that time the president of the Colorado Fuel & Iron Co.?

Mr. LEE. Yes.

Chairman WALSH. Did you receive any letter from Mr. Welborn acknowledging receipt of that?

Mr. LEE. I do not recall, Mr. Chairman.

Chairman WALSH. Did you receive a letter from Maj. Boughton acknowledging receipt of that?

Mr. LEE. I just told you I did not recall. If I did I will be glad to give you a copy of it.

Chairman WALSH. Will you please look it up and see if you did receive such a letter from Maj. Boughton?

Mr. LEE. Yes.

Chairman WALSH. You say you did not know until probably a month ago what Maj. Boughton did with that draft of the proposed letter which you sent to him?

Mr. LEE. That is true.

Chairman WALSH. That is true?

Mr. LEE. Yes.

Chairman WALSH. And you inquired of Maj. Boughton what he did with it for the first time after this letter containing the reference to it was submitted into the record of this commission and given wide publication throughout the United States?

Mr. LEE. That is true.

Chairman WALSH. Was Gov. Ammons out of office at that time—I take it that he was, because he went out the 1st of January. That is correct, is it?

Mr. LEE. So far as I know.

Chairman WALSH. Have you had any communication by wire, telephone, or mail with Gov. Ammons with respect to this matter?

Mr. LEE. I have not.

Chairman WALSH. Within the last month?

Mr. LEE. I have never had any communication of any kind with Gov. Ammons.

Chairman WALSH. Was your communication with Maj. Boughton as to what he did with the draft of the proposed letter a matter of correspondence, or was it done over the telephone, or how?

Mr. LEE. It occurred in New York. Maj. Boughton was in New York about two weeks ago, I think, and called me on the telephone and told me he was there. I called on him and asked him if the statement which had been made in the press by Mr. Rockefeller on this subject—and the substance of the information on this point was necessarily supplied by myself—I asked him if there were any amendments to that necessary, according to his recollection, that should be made. He told me it was substantially correct.

Chairman WALSH. Was that all you said to him, in substance?

Mr. LEE. I had a general conversation with him.

Chairman WALSH. About this particular matter?

Mr. LEE. That is all I said to him.

Chairman WALSH. So really all you said to him was, "Did you see all that was published?"

Mr. LEE (interrupting). I beg your pardon; I did ask the specific question. I said: "What did you do with that memorandum?" He told me, "I did nothing with it."

Chairman WALSH. Did he say that he ever communicated it to Gov. Ammons?

Mr. LEE. He said he did not.

Chairman WALSH. Did he say he ever communicated the substance of it to Gov. Ammons?

Mr. LEE. He said he did not; and never communicated it to Gen. Chase, his superior officer.

Chairman WALSH. It was intended, when you gave it to him, that he was to take it to Colorado, and he was to give it to Gen. Chase, of the National Guard, and Gen. Chase, of the National Guard, was to give it to Gov. Ammons, and that Gov. Ammons was to put it in a letter, and that he was to send that letter to the governors of the other States and publish it throughout the United States?

Mr. LEE. Mr. Chairman, there was no intention. There was a suggestion to Maj. Boughton. Maj. Boughton, in his communications with the governor, had to report to and communicate with him through his superior officer, and so told me. I assumed that was correct. There was no intention of any kind. It was a suggestion such as one man makes to another, perfectly frankly and openly, and, as I say, I would do it again under similar circumstances.

Chairman WALSH. I will try to get that a little more definitely. You made a suggestion which was in a letter—that is, you made a suggestion to Maj. Boughton at the Waldorf Hotel—that you would prepare a draft of a letter which you desired him to have the governor of Colorado sign, if he was willing to do it.

Mr. LEE. No, sir.

Chairman WALSH. Please give the substance of your recollection of what you said to Maj. Boughton.

Mr. LEE. Maj. Boughton said the governor was very anxious to get his views before the public, and he wanted some effective way of doing it. I said one way would be to write such a letter as I suggested. His suggestion was, "If I will send you a memorandum"—or this is a combination of the conversations between Mr. Greene and myself and Maj. Boughton—"if I will send you a memorandum, will you prepare a kind of draft that you have in your mind?" There was no suggestion on my part that we desired Maj. Boughton to convey such a suggestion to the governor—nothing of that kind.

Chairman WALSH. Not even after you met at the Waldorf Hotel, there was no thought of that kind in your mind?

Mr. LEE. Not beyond what I have stated.

Chairman WALSH. It was your suggestion entirely about the letter, was it not?

Mr. LEE. It was.

Chairman WALSH. Given to Mr. Greene, and your suggestion was that a letter should be written by Gov. Ammons addressed to the President?

Mr. LEE. Yes.

Chairman WALSH. That was your first suggestion?

Mr. LEE. Quite right.

Chairman WALSH. You followed that by saying that you thought it would be a good thing to do, and that you would prepare a draft of it. Did you not tell him—did you not convey that suggestion to him—that a draft was to be made for the governor to sign to be sent to the President?

Mr. LEE. I never put it that way; no, sir.

Chairman WALSH. Very good. Did you retain a copy of the draft of the proposed letter which you sent to Maj. Boughton?

Mr. LEE. I did.

Chairman WALSH. Is that one of the things which you say you have at your office?

Mr. LEE. Yes.

Chairman WALSH. And you will supply that to us?

Mr. LEE. Gladly.

Chairman WALSH. You can do that when you go back Monday, if you go back Monday?

Mr. LEE. Yes.



Chairman WALSH. Is that correct?

Mr. LEE. Yes.

Chairman WALSH. As publicity agent, what was your occupation at that time or your relationship to Mr. Rockefeller and his business or his investments?

Mr. LEE. You know my main relationship at that time was with the Pennsylvania Railroad—

Chairman WALSH (interrupting). Yes; I understood that, and I do not care to go into that phase of it, but in doing this work what relationship did you bear to Mr. Rockefeller, either to Mr. Rockefeller or any of his companies?

Mr. LEE. Mr. Rockefeller put me into relationship with Mr. Welborn as chairman of the committee of Colorado operators, to advise with them and assist with them in getting their side of the Colorado situation before the public. Out of that relationship with Mr. Rockefeller, as we got better acquainted, other matters developed and I gave Mr. Rockefeller suggestions with reference to other of his interests.

Chairman WALSH. What kind of a publicity campaign were you intending to operate for Mr. Rockefeller in June of 1914?

Mr. LEE. I was not intending to operate any publicity campaign for Mr. Rockefeller.

Chairman WALSH. Who for?

Mr. LEE. The Colorado operators.

Chairman WALSH. I will read you from one of your letters dated June 11—one paragraph:

"I also acknowledge receipt of check for \$2,000 applicable to expenses of organizing the publicity campaign. I understand that this is to be utilized as working capital and to be returned at your pleasure or when the scheme reaches a point where such working capital is not required."

Mr. LEE. Yes, sir; that is the Colorado campaign.

Chairman WALSH. How is that?

Mr. LEE. That is the Colorado campaign, Mr. Chairman.

Chairman WALSH. That was just an advancement, you claim, of \$2,000, and the combined operators of Colorado at that time were supposed to reimburse Mr. Rockefeller for that and pay for all the work that you should do?

Mr. LEE. They were to reimburse me for such expenses as I incurred, and then when the operators supplied me with funds to pay the bills incurred that money was to be returned to Mr. Rockefeller.

Chairman WALSH. Now, one letter following that—the letter of June 11—when did you enter into the employ of Mr. Rockefeller properly?

Mr. LEE. You mean exclusively?

Chairman WALSH. Yes; exclusively.

Mr. LEE. January 1.

Chairman WALSH. Of what year?

Mr. LEE. This year.

Chairman WALSH. January 1 of 1915?

Mr. LEE. Yes, sir.

Chairman WALSH. And up to that time, all the work that you did was done for the operators?

Mr. LEE. All the work except, as I stated a few moments ago, such suggestions as I gave Mr. Rockefeller in reference to his general interests. There were a few matters that I handled for him with reference to some of his special interests.

Chairman WALSH. As a matter of fact, now, Mr. Lee, didn't you simply go to work for Mr. Rockefeller to do anything that he wanted you to do—that is, properly—in a publicity way, and you were starting a publicity campaign and that Mr. Rockefeller, sr., paid you out of his own private funds \$6,000 for all the work done up to January, and that as far as you know he had never been reimbursed by any other interest in Colorado, and you have never received payment for what you did from any other source?

Mr. LEE. The whole of the expenses connected with the publicity campaign were repaid to me from Colorado, and my information is that the Colorado Fuel & Iron Co. has, on behalf of the other operators in Colorado—what arrangement they have I do not know—had paid the greater portion of my salary up to January 1.

Chairman WALSH. On July 1—I see a letter which you have addressed to Mr. Rockefeller, as follows:

"DEAR MR. ROCKEFELLER: I have your letter of June 27 and shall take pleasure in placing upon our mailing list the names you suggest. The sermon of Dr. Hillis I am delighted to have, and shall want to make use of it."

Were you going to make use of that Dr. Hillis sermon for Mr. Rockefeller or the combined operators of Colorado?

MR. LEE. I do not recall; but I do recall that we made no use of it.

Chairman WALSH. It contained misstatements, didn't it?

MR. LEE. I do not recall the sermon, Mr. Chairman. I know—for what reason I can not say—that we did nothing further with it.

Chairman WALSH. Mr. Rockefeller sent the sermon to you and suggested you circulate it?

MR. LEE. That may be.

Chairman WALSH. And the sermon did contain a statement such that the Colorado Fuel & Iron Co. offered to deal with the unions collectively—were willing to recognize unions and deal with them collectively through the officials, didn't it?

MR. LEE. That may be. I heard that brought out yesterday. I did not know it up to that time.

Chairman WALSH. Have you seen the sermon since?

MR. LEE. No, sir.

Chairman WALSH. As a matter of fact, it is being sent out now from some place in Detroit?

MR. LEE. So I understand, but we have nothing to do with it at our office.

Chairman WALSH. Have you advised those people that it contained misstatement with reference to your company—the Colorado Fuel & Iron Co.—in reference to the offer to recognize the unions; that that was the whole fright, and because of the blood shed and other trouble that came about?

MR. LEE. I have done nothing in reference to Dr. Hillis's sermon.

Chairman WALSH. Did you see the published public statements from time to time denying the statements made in that sermon and published in—

MR. LEE (interposing). I did not. The point is, Mr. Chairman, we did absolutely nothing with that sermon, so that we have no responsibility for it. This was private correspondence between Mr. Rockefeller and myself and nothing whatever was done with that suggestion, so we had no responsibility for Dr. Hillis's sermon.

Chairman WALSH. But it was sent to you with the suggestion to send it out?

MR. LEE. I did not send it out.

Chairman WALSH. You stated in reply that you would be delighted to have the sermon, but that no use was made of it?

MR. LEE. No, sir.

Chairman WALSH. It was not a private letter. It had reference to work that you were doing for these corporations?

MR. LEE. Well, it was what I call a private letter.

Chairman WALSH. Have you been advised that this Hillis sermon is being sent out from Detroit to the same mailing addresses that your bulletins are being sent to?

MR. LEE. I have not been so advised.

Chairman WALSH. Did you give that mailing address to any other person—those addresses?

MR. LEE. I have no recollection of having done so. I am almost sure it was not done. I heard the point brought out yesterday and my recollection is clear, but I am not prepared to testify definitely. I would be happy to inform you of it if I could, but I will say this, that I have a definite impression that nothing was done with that sermon and that that mailing list was not given to any such parties.

Chairman WALSH. Did you have any correspondence with the Cadillac Motor Car Co., of Detroit, or any of its officers?

MR. LEE. No, sir.

Chairman WALSH. Did you have any correspondence with a man named Leland, in Detroit?

MR. LEE. No, sir.

Chairman WALSH. Do you know who he is?

MR. LEE. No, sir.

Chairman WALSH. Do you know anyone in Mr. Leland's office in Detroit?

MR. LEE. No, sir.

Chairman WALSH. I will read one of the letters a little further in this matter. Perhaps I had better read the whole letter, because you might want



to call for it. It is a letter which was written July 1, at the time you were getting up these bulletins, and at the time your pay was supposed to be from the operators in Colorado. When I say "supposed," I do not mean to reflect on what you said, but in view of the fact that Mr. Rockefeller first paid it and then was reimbursed by the combined operators. July 1 took in that period before you went to work definitely with Mr. Rockefeller?

Mr. LEE. Yes, sir.

(The chairman thereupon read the letter referred to.)

Chairman WALSH. Now, the Rockefeller Institute had no connection with the Colorado Fuel & Iron Co., so far as you are informed, did it?

Mr. LEE. No, sir; none.

Chairman WALSH. What were the interviews that you had with Mr. Harry Wheeler—were they in reference to the Rockefeller interests?

Mr. LEE. Mr. Wheeler and Mr. Rockefeller had had a talk in reference to enlarging the scope of the publications of the National Chamber of Commerce, called the Nation's Business. Mr. Rockefeller asked me to see Mr. Wheeler and to get his ideas in order that I might give Mr. Rockefeller my views as to whether it was desirable to go further with the plans which he and Mr. Wheeler had discussed. I saw Mr. Wheeler and others in connection with the matter, but never made a report to Mr. Rockefeller, because, as I told him verbally, I never had become convinced that the plan was quite practicable.

Chairman WALSH. What was the plan?

Mr. LEE. The plan was to enlarge the scope of the publication of the National Chamber of Commerce of the United States—a paper called the Nation's Business.

Chairman WALSH. How to enlarge it—to put money into it?

Mr. LEE. To enlarge the size, and, of course, the number of issues, and the question as to whether or not it would be desirable to lend the chamber sufficient working capital to enable them to put the matter on a sound and paying basis.

Chairman WALSH. Who was considering lending the money?

Mr. LEE. Mr. Rockefeller and Mr. Wheeler had discussed such a proposition, a proposition to finance such an enlargement. I do not know that I can add anything more to that.

Chairman WALSH. Where was the money to come from—from Mr. Rockefeller's funds?

Mr. LEE. If Mr. Rockefeller was to finance it, it was to come from Mr. Rockefeller's funds, naturally.

Chairman WALSH. We will stand adjourned at this point until Monday morning at 10 o'clock. I believe, Mr. Lee, you stated it would be very inconvenient for you to come back Monday?

Mr. LEE. Yes; Mr. Chairman, if you will let me have until Tuesday—

Chairman WALSH. Very well; you may come back Tuesday, and we will put Mr. Bowers on the stand Monday.

(Thereupon, at 4.30 o'clock, the commission took an adjournment until Monday morning at 10 o'clock a. m.)

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WASHINGTON, D. C., *Monday, May 24, 1915.—10 a. m.*

Present: Chairman Walsh, Commissioners Weinstock, Harriman, and O'Connell.

Chairman WALSH. Mr. Bowers.

#### TESTIMONY OF MR. L. M. BOWERS.

Chairman WALSH. What is your name, please?

Mr. BOWERS. L. M. Bowers.

Chairman WALSH. Where do you reside, Mr. Bowers?

Mr. BOWERS. Binghamton, N. Y.

Chairman WALSH. And how long have you lived in Binghamton?

Mr. BOWERS. In the county all my life; 48 years in Binghamton.

Chairman WALSH. What is your occupation?

Mr. BOWERS. Business affairs.

Chairman WALSH. What is your present occupation?

Mr. BOWERS. I am on the advisory staff of Mr. John D. Rockefeller.

Chairman WALSH. That is, John D. Rockefeller, sr.?

Mr. BOWERS. Senior; yes.

Chairman WALSH. Now, what, generally speaking, are your duties on the advisory staff of Mr. John D. Rockefeller, sr.?

Mr. BOWERS. I represent him in several corporations.

Chairman WALSH. What are they?

Mr. BOWERS. I am president of the Cleveland Steel Co. I am on the executive board of the American Shipbuilding Co. I am connected with the Great Lakes Towing Co.—

Chairman WALSH. I did not quite catch that; will you kindly speak a little louder?

Mr. BOWERS. I am president of the Cleveland Steel Co. and have been for 15 years, I think, and on the board of the American Shipbuilding Co.—

Chairman WALSH. That is, the board of directors or the executive board?

Mr. BOWERS. Executive board and board of directors also, and the Great Lakes Towing Co.

Chairman WALSH. Great Lakes Towing Co.?

Mr. BOWERS. Yes; those three things I am in particularly.

Chairman WALSH. Are you connected now with the Colorado Fuel & Iron Co.?

Mr. BOWERS. In no respect.

Chairman WALSH. You have been in the employ of John D. Rockefeller, sr., for something like 26 years, I believe?

Mr. BOWERS. No; this is my twentieth year.

Chairman WALSH. Your twentieth year?

Mr. BOWERS. Yes, sir.

Chairman WALSH. What were your relations with John D. Rockefeller, sr., before you went into his employ?

Mr. BOWERS. I had no acquaintance with him whatever.

Chairman WALSH. Where I got that information—you testified, I believe, Mr. BOWERS, before the congressional committee that was investigating affairs in Colorado, I believe?

Mr. BOWERS. Yes, sir.

Chairman WALSH. Where did you appear before that commission?

Mr. BOWERS. In the senate chamber in Denver.

Chairman WALSH. In the senate chamber in Denver?

Mr. BOWERS. Yes, sir.

Chairman WALSH. I will ask you if this question was not asked you [reading]:

“What are your relations with Mr. Rockefeller?” And you said, “A hired man. Have been for nearly 26 years.

“Question. In what capacity?

“Mr. BOWERS. In a variety. I have been in a great many different affairs.” You just estimated it six years too much?

Mr. BOWERS. No; it is a mistake. They left out one or two questions and my replies.

Chairman WALSH. Yes. Well, what were they, then?

Mr. BOWERS. Well, that should not be 26 years. That is a mistake.

Chairman WALSH. It should have been 20 years?

Mr. BOWERS. Well, it should not have been 20 years then. It is not 20 years yet.

Chairman WALSH. Well, was the balance of the answer right [reading]:

“In what capacity?

“Mr. BOWERS. In a variety. I have been in a great many different affairs.”

Mr. BOWERS. Yes, sir.

Chairman WALSH. And you were hired by John D. Rockefeller, sr.?

Mr. BOWERS. Yes, sir.

Chairman WALSH. About 20 years ago, as I understand from one of your letters, you had an understanding with Mr. Rockefeller, sr., as to what your attitude was toward laboring people?

Mr. BOWERS. Yes.

Chairman WALSH. And you and Mr. Rockefeller, when he put you in there, he had a perfect understanding of what your attitude was?

Mr. BOWERS. Yes.

Chairman WALSH. During all these years?

Mr. BOWERS. I think so. He knew what my attitude was at that particular time.



Chairman WALSH. At that particular time?

Mr. BOWERS. Yes.

Chairman WALSH. Let's get at your attitude; you had some thought about the uplifting of labor at that time?

Mr. BOWERS. I did.

Chairman WALSH. And the handling of labor matters generally?

Mr. BOWERS. Yes, sir.

Chairman WALSH. You believed in what is called an open shop?

Mr. BOWERS. Yes, sir.

Chairman WALSH. Did you have any trouble on the Great Lakes with your employees?

Mr. BOWERS. No, sir.

Chairman WALSH. Any strikes?

Mr. BOWERS. Never.

Chairman WALSH. And you believed in the principles that were announced by John D. Rockefeller, jr., on the witness stand before this congressional committee, I believe, for which you wrote him a very commendatory letter?

Mr. BOWERS. This committee here?

Chairman WALSH. No; the congressional committee.

Mr. BOWERS. I don't know that I passed on that; possibly I did. Mr. Walsh, you asked me his attitude before the committee?

Chairman WALSH. Before the congressional committee. You recall his statement before the congressional committee being to the effect that he believed in a great principle—that is, the great principle being the right of the individual American workman to work for whomsoever he pleased without the dictation or control of labor unions, and that so far as he was concerned he was willing to spend the entire Rockefeller fortune to establish that right?

Mr. BOWERS. Whatever the letters say; I won't take your time unless you wish. I assent to all that I wrote.

Chairman WALSH. Now, you were out there as chairman of the executive board of the Colorado Fuel & Iron Co.?

Mr. BOWERS. Not at first.

Chairman WALSH. What were you at first?

Mr. BOWERS. Vice president.

Chairman WALSH. During the strike you were putting into effect the principles or the attitude that you had toward the organization of workmen or attempting to put it into effect?

Mr. BOWERS. I had nothing whatever to do with the operation of the strike directly or indirectly.

Chairman WALSH. You had nothing to do with the operation of the strike directly or indirectly?

Mr. BOWERS. Not at all.

Chairman WALSH. You paid out all of the money for arms, ammunition, and mine guards?

Mr. BOWERS. I paid out nothing, because that was made up by a committee of operators of about 90 mines, and I was not a member of the committee and had no conversation with them directly, and some I had never seen.

Chairman WALSH. But you did pay the money that was paid by the Colorado Fuel & Iron Co.?

Mr. BOWERS. Every operator paid their proportion of whatever it was.

Chairman WALSH. But you were the individual that signed the checks, to whoever was to get it, to get the money from the bank to pay for the mine guards and the ammunition or whatever was done?

Mr. BOWERS. No, sir; our checks totaled perhaps \$500 to \$1,000 a day.

Chairman WALSH. And among those were the checks that you signed to pay for the ammunition and mine guards?

Mr. BOWERS. Never one of them.

Chairman WALSH. You were the treasurer, were you?

Mr. BOWERS. Yes, sir.

Chairman WALSH. How did they get the money out of the treasury?

Mr. BOWERS. I presume through the cashier's department, by the assistant treasurer.

Chairman WALSH. Did you have to sign the vouchers to draw the money from the treasury?

Mr. BOWERS. Never. That is, rarely, except in the absence of the assistant treasurer.

Chairman WALSH. State to the record, in detail, what your duties were in Denver as treasurer.

Mr. BOWERS. Largely, as the actual treasurer, was to sign documents that were official or legal, where it required the signature of the treasurer, that they regarded it as necessary for the signature of the treasurer rather than the signature of the assistant treasurer.

Chairman WALSH. How much money was paid out by the Colorado Fuel & Iron Co. for arms and ammunition prior to September 13, 1913?

Mr. BOWERS. I have not the slightest idea.

Chairman WALSH. Did you hear it stated in the office, you were there?

Mr. BOWERS. I never did.

Chairman WALSH. Were you a member of the board of directors also?

Mr. BOWERS. Yes, sir.

Chairman WALSH. What action did the board of directors take toward buying arms and ammunition?

Mr. BOWERS. Nothing at all that I know of.

Chairman WALSH. What action was taken by the board of directors, or executive committee, with reference to paying men that acted as mine guards, or served in the militia?

Mr. BOWERS. As far as the mine guards were concerned, that was part of the machinery of the mine all of the time that I know of.

Chairman WALSH. Did you pay them?

Mr. BOWERS. I did not pay them; I presume they were authorized to be paid.

Chairman WALSH. Were they authorized to be paid by the executive committee of whom you were in charge?

Mr. BOWERS. Not at all.

Chairman WALSH. Who did actually authorize the payment of money for mine guards and ammunition?

Mr. BOWERS. They were undoubtedly presented to the auditor and indorsed by him.

Chairman WALSH. Who was that?

Mr. BOWERS. Mr. J. H. Writer was the auditor, and undoubtedly, I don't know, I can't say from personal knowledge that they went through there, but they undoubtedly did, but I never saw one of them or heard of them. If you will allow me to say a word here—

Chairman WALSH. Certainly.

Mr. BOWERS. On account of very severe illness in my family for a couple of years, I did as little as I could of the actual work, to save any nervous or actual strain. I divorced myself absolutely, as far as I could, from that strike, as far as operation and handling of the annoying things; I had nothing to do with it.

Chairman WALSH. You had nothing to do with it?

Mr. BOWERS. Nothing to do with it.

Chairman WALSH. You heard these letters read into the record from you?

Mr. BOWERS. Yes, sir; I stand back of them.

Chairman WALSH. I might comment and say some of them sound very virile.

Mr. BOWERS. I acknowledge all those letters.

Chairman WALSH. Before I take them up?

Mr. BOWERS. Yes, sir; before you take them up.

Chairman WALSH. Would not that first letter, wherein you state that yourself and the other officers would allow your bones to bleach in the mountains of Colorado—would at least leave the impression that you, with the officers, were taking very vigorous steps?

Mr. BOWERS. We were mighty interested, I tell you, Mr. Walsh.

Chairman WALSH. That would leave the impression that you were taking part in it?

Mr. BOWERS. Will you allow me to explain my attitude?

Chairman WALSH. Yes, sir; certainly.

Mr. BOWERS. They had in that section of the State about 14,000 men in the coal mining business; nonunion men, largely. I think we had in the Colorado Fuel & Iron Co. perhaps 600 union men, men that had been in the unions for 10, 20, or 25 years. Never a question raised in regard to those men in the world, whether they were union or nonunion, their nationality or religion, or anything as far as I know.

Chairman WALSH. You may proceed.

Mr. BOWERS. After a year or two of agitation by speeches and gatherings, especially in southern Colorado, there were added to the 600 men perhaps four



or five or six or seven hundred more; and perhaps when the strike was called ten or twelve or thirteen hundred union men were there, and there were ten or twelve or thirteen thousand nonunion men.

I want to explain my letter. I regarded that as an attempt on the part of the leaders outside of the State to come into the State and induce or persuade or possibly force the unionization of the coal mines in Colorado. My ideas of independence, of American independence, were such that I believe in individual independence in respect to labor.

Chairman WALSH. Oh, yes.

Mr. BOWERS. My letter speaks of what I would do to stand against that sort of thing, as I saw it and understood it. Let me tell you, Mr. Walsh, if there had been twelve or thirteen thousand union men employed there, and there had been ten or twelve or thirteen hundred nonunion men that went into that camp with leaders from outside of the State and attempted to drive out the union men, I would have said that I would have stood against them until my bones were bleached as white as chalk; I would have taken just the same position with union miners as with nonunion.

Chairman WALSH. So that what you did in Colorado was due to just your idea of American citizenship and your desire to see that the men that were in your mines did not have their rights as American citizens invaded by outsiders?

Mr. BOWERS. Or anybody else.

Chairman WALSH. So that it was not a partial feeling toward the Colorado Fuel & Iron Co., or anything of that sort?

Mr. BOWERS. Not a particle; no more than I would in any concern I was interested in.

Chairman WALSH. I want to read you this letter, Mr. Bowers. You have had very strong notions on this question of open shop and closed shop all of your life, have you not?

Mr. BOWERS. Yes.

Chairman WALSH. And you have tried to put them into effect in the various organizations that you have managed for Mr. Rockefeller?

Mr. BOWERS. No; excuse me there. I have never interfered with any of the organizations that existed when I went there or prevented the enrollment of any individual in any organization for collective bargaining, or any number of them, or in any trade-unions. I never interfered with men joining a trade-union in my life in the slightest.

Chairman WALSH. You had many talks with Mr. Welborn as to how the thing was running out there?

Mr. BOWERS. As I said before, as little as I possibly could.

Chairman WALSH. You had many?

Mr. BOWERS. Yes; sure.

Chairman WALSH. And he told you during all the years you were away from there it was his custom to hire spies—that is, he would hire men to go in and pretend they were regular workmen, but in reality they were detectives working for the company and paid by the company—and when he found out a man was trying to organize men into the union he would report it to Mr. Welborn, and this man would be discharged. You knew that, Mr. Bowers?

Mr. BOWERS. No, sir; it is not true.

Chairman WALSH. Mr. Welborn did not testify to that in Denver before this commission?

Mr. BOWERS. He may have testified to it.

Chairman WALSH. It is not true you knew it?

Mr. BOWERS. Let me explain.

Chairman WALSH. Yes.

Mr. BOWERS. When I went there I found there were men employed by the coal companies—

Chairman WALSH (interrupting). Just the Colorado Fuel & Iron Co., please.

Mr. BOWERS. That were employed by the Colorado Fuel & Iron Co. as spotters, or whatever you call them.

Chairman WALSH. Spies.

Mr. BOWERS. I don't care what you call it; there were some there, and I took up the matter and said, "Why is that thing done?" And they give this reason and that reason and another. I said, "That is not my attitude toward this matter." I am going to be somewhat in conflict, you will observe, with the officials of the Colorado Fuel & Iron Co.

Chairman WALSH. With the testimony of the officers of the Colorado Fuel & Iron Co.?

Mr. BOWERS. Well, yes. I do not believe in that sort of thing unless there is some reason for it, to have men in there to do violence or to mislead or try to control the miners.

Chairman WALSH. How do you mean by "mislead"? The doing or saying of something that does not contain elements of truth?

Mr. BOWERS. I don't think you want me to go into those things.

Chairman WALSH. Go ahead. I probably interrupted you.

Mr. BOWERS. These men—suppose, for instance, I was interested in a proposition, and I was very much interested in it, and I had a lot of associates, as I do, and if I thought it was a good thing for them, and if I thought it was a good thing for me, and if I thought it was a good thing for the company, and in general for the common good, I would be mightily inclined to talk about it and would not want to be interfered with; and if one of my miners thought unionism was good and the best thing, I could not allow myself to say no, if there was no viciousness.

Chairman WALSH. What would you think of the leaders of the miners' union if they got some one to go to Mr. Rockefeller and pretend that he was as loyal as you to him and held sacred the same general principles of conduct among men, and got Mr. Rockefeller to send him out to take a position on your executive board, but in reality he was employed by the Western Federation of Miners; that is the one I see by your letter—

Mr. BOWERS (interrupting). The American Federation of Miners.

Chairman WALSH. You first wrote about the Western Federation of Miners; maybe that is a mistake.

Mr. BOWERS. The United Mine Workers of America, I meant.

Chairman WALSH. Now, suppose in reality this man that went and got this employment from Mr. John D. Rockefeller, sr., was in their employ and got paid every day for what he did, and he sat on your board and reported back and forth, what would you think about it—that it was an honorable or proper proceeding?

Mr. BOWERS. I don't know that I really get the seed of your statement.

Chairman WALSH. I will try to state it again; suppose a man had gone to Mr. John D. Rockefeller, sr., and induced him to believe—

Mr. BOWERS (interrupting). A secret employee from the United Mine Workers of America?

Chairman WALSH. Yes; and assured Mr. Rockefeller that he held the same principles that you held with reference to the conduct that should exist between men working in any industry, and that he secured employment from Mr. John D. Rockefeller, sr., and got his confidence to such a great extent that he put him on the executive board with you, but in reality that man was in the employ of the United Mine Workers of America, and was just trying to find out the inside methods of your organization and trying to hurt it and wreck it in any way he could; would you think that was an honorable proceeding?

Mr. BOWERS. That would be a matter for Mr. Rockefeller and the gentlemen who had the negotiations with him and for him to settle.

Chairman WALSH. You would not think it was wrong morally or ethically?

Mr. BOWERS. He would be a deceitful trickster.

Chairman WALSH. A trickster?

Mr. BOWERS. Yes; to do that thing—to impose on Mr. Rockefeller and to work himself into a position there for the purpose of spying and doing dirty work.

Chairman WALSH. You would not approve of anything like that?

Mr. BOWERS. Not for a moment.

Chairman WALSH. Are you still on the board of directors of the Colorado Fuel & Iron Co.?

Mr. BOWERS. I am not.

Chairman WALSH. Now, the man that would get the trickster to do that dirty work he would be dirtier than the man himself. If he paid him money for doing it; if there could be degrees of that sort of thing?

Mr. BOWERS. I won't pass judgment on moral conduct.

Chairman WALSH. All right. You said it would be deceitful and tricky.

Mr. BOWERS. It would be from my standpoint; I do not like a deceiver anywhere.

Chairman WALSH. Now, I call your attention—in these corporations that you are in now, are you still working hard and aggressively to keep the workers in the organization free and independent from outside dictation?



Mr. BOWERS. I would rather that you put that free and independent from inside dictation. I certainly am.

Chairman WALSH. I will read you a letter of April 7; perhaps I had better read that in full before I interrogate you.

Mr. BOWERS. I remember that pretty well.

Chairman WALSH. I will read all of this, because I want to ask you about so many paragraphs; that was after the congressional investigation and after the horror at Ludlow, and after the conflict between the military and the strikers and their organization; you wrote this letter April 7, 1914?

Mr. BOWERS. To whom?

Chairman WALSH. This was dated April 7; this was before Ludlow, the same month that Ludlow happened. First, what were you doing in Binghamton, N. Y., then?

Mr. BOWERS. I presume I was resting.

Chairman WALSH. Were you still in the employ of the company?

Mr. BOWERS. Yes.

Chairman WALSH. Were you still chairman of the executive committee?

Mr. BOWERS. Yes.

Chairman WALSH. Perhaps I had better get that straight; what was the date of your retirement?

Mr. BOWERS. December 28.

Chairman WALSH. 1914?

Mr. BOWERS. Yes.

Chairman WALSH. Now, on April 7, I see you wrote as follows [reading]:

BINGHAMTON, N. Y., April 7, 1914.

DEAR MR. ROCKEFELLER: You have rendered a service for the entire country in your testimony before the congressional committee that can not be overestimated for its value just at this period in our industrial history. As the writer anticipated, these biased political wirepullers utterly failed in their attempt to trip you, and every word you said simply brought out clearer and clearer your genuine American loyalty to stand against all comers, to protect every man who seeks employment in the enterprise in which you have a commanding interest in the enjoyment under the Stars and Stripes, of life, liberty and the pursuit of happiness.

I believe what you gave to the committee, and the position you so ruggedly maintained against the assaults of Dr. Foster, will do more for the cause of the millions of laboring men than all the efforts of social reformers, in as many years.

It will set thousands of faltering employers to thinking and inspire confidence and spur them to activity in opposing the schemes of political, social, and religious demagogues, who are in the clutches of the labor union leaders, whose aim is to shut the open shops.

I can not put into words my satisfaction, I will say boundless delight, with your magnificent and unshaken stand for principle, whatever the cost may be. Now for an aggressive warfare to 1916 and beyond for the open shop.

Sincerely, yours,

L. M. BOWERS.

Chairman WALSH. Now, were the "political wirepullers" who were trying to trap Mr. Rockefeller the Members of the Congress of the United States that were charged by the whole body with the duty of investigating the situation in Colorado?

Mr. BOWERS. I would not answer that question definitely like that. There are a great many contributing features in the political atmosphere, and so forth, not only the congressional committee, but otherwise, that undoubtedly prompted me to write a pretty strong letter.

Chairman WALSH. Well, did the "biased political"—

Mr. BOWERS (interrupting). Excuse me. His testimony before that committee is what I referred to. If I should write another letter to Mr. Rockefeller to-day, I should repeat that letter in some respects, leaving out the political aspects. I should commend his testimony on his examination here the same as I did then.

Chairman WALSH. Now, were these biased political wirepullers, as you call them, the members of the special committee on mines and mining, being a part of the Congress of the United States, and especially charged with the duty of investigating your affairs in Colorado?

Mr. BOWERS. I don't think it would be proper for a private citizen to hold up or name or select that committee, even if I thought it was that committee, as the political wirepullers. I don't think I ought to answer that question that way. I don't think I want to charge any committee directly with that.

Chairman WALSH. Would you, then, circulate a private opinion that you would not express publicly?

Mr. BOWERS. Yes. That is private correspondence after long years of intimate relations in business, and was never expected to be publicly presented here, but like any other private correspondence between gentlemen and business friends—a partnership, you might say.

Chairman WALSH. A partnership? Do you say that any correspondence is private that has to do with the conduct of a corporation operating with \$35,000,000 of capital and in conflict with a great body of citizens of a sovereign State, and in respect to the investigations that are being made by the Federal Government through the representatives of the people? Do you call their correspondence that takes place between the officers of that corporation private correspondence in which the people have no interest?

Mr. BOWERS. I would not want to admit, Mr. Walsh, that we were in conflict.

Chairman WALSH. You did not think this would ever be brought out, this correspondence, at the time you wrote it?

Mr. BOWERS. I would have been—certainly I would have had sense enough if I made a public statement to leave out many things that I would not if I was writing to my own son or my own family or my own partner. I would not use the same language to Mr. Walsh as to Mrs. Bowers.

Chairman WALSH. And you would not use the same sentiments or expressions as to the public officers of the people, if you thought afterwards they were going to be shown to the people who created that officer—the people generally?

Mr. BOWERS. I certainly would not, unless I was stating it before him and about him.

Chairman WALSH. You say: "I believe the hours you gave to the committee and the position you so manfully maintained against the assaults of Dr. Foster"—Dr. Foster was the regular chairman of the Committee on Mines and Mining of the House of Representatives of the United States, and presided over the committee that was investigating the Colorado situation. Do you remember that?

Mr. BOWERS. Yes, sir.

Chairman WALSH. Dr. Foster?

Mr. BOWERS. Why, sure.

Chairman WALSH. Well, your were referring in that letter to the representatives of the people of the United States, were you not, but you did not think it would be exposed?

Mr. BOWERS. Well, I would not care to admit that.

Chairman WALSH. Well, then, you were referring to the representatives of the people of the United States?

Mr. BOWERS. I was referring to the testimony of Mr. John D. Rockefeller before that committee; and I believe the committee was biased, and I think it was made up politically in a manner that was not fair to all concerned. That is my notion and my opinion of it.

Chairman WALSH. So you believed, in cases where you think the representatives of the people do not act fairly, you believed in getting the bankers and business men and all the agencies you can and whipping them into line?

Mr. BOWERS. Oh, no; I did not.

Chairman WALSH. You did not believe that?

Mr. BOWERS. Oh, whipping in line—I do believe in a man using every possible effort in his political and social relations and as a citizen and everywhere that he can to get what is best done for the common good, and using such methods as are necessary to bring it about—by peaceful methods. I belief in using all the methods you can for the common uplift and common good.

Chairman WALSH. You believe in using all methods, whatever the methods may be?

Mr. BOWERS. As I say, if, as I recall, I wrote another letter that referred to the situation down there in southern Colorado and used some pretty vigorous language; and I stand for every jot and tittle of that letter that I wrote down there, and every one of them, the same as I will for this.

Chairman WALSH. So you believe that if you figure out yourself what is right and just industrially or financially, and the governor of a sovereign State or the Representatives of the people in Congress differ with what you think,



that it is perfectly proper to organize the bankers and the financial interests and all other interests to whip into line those public officials and representatives of the people?

Mr. BOWERS. If they are wrong; yes, sir.

Chairman WALSH. If they are wrong?

Mr. BOWERS. Yes, sir.

Chairman WALSH. Now, you found them wrong, you have found them wrong many times, and you have never hesitated to go after them that way?

Mr. BOWERS. And speak good of them, too.

Chairman WALSH. After you got them into line, you call that giving them taffy, don't you?

Mr. BOWERS. Mr. Walsh, I am not much of a politician, and I imagine that you are.

Chairman WALSH. Your imagination is running away with you. I am the poorest politician in America, or I would not be doing what I am doing now. Is that the way you do it—after you get the bankers and public officials to whip those people into line you talk nice to them?

Mr. BOWERS. May I ask you a personal question?

Chairman WALSH. Look out, I warn you in advance.

Mr. BOWERS. Did your mother ever spank you?

Chairman WALSH. Indeed she did.

Mr. BOWERS. All right; did she ever give you a piece of candy or some cookies afterwards?

Chairman WALSH. Yes, sir. Is that your attitude before the people of the United States, in your conduct of public affairs representing the Rockefeller interests, that if a public official known as the representative of the people don't do what you think is right, you spank them and then when they come around and do what you think is right, then you give them a piece of candy, just like my mother would me?

Mr. BOWERS. Sure.

Chairman WALSH. That is the way you do it?

Mr. BOWERS. Sure.

Chairman WALSH. During the process, when you are whipping them into line, how do you treat them? Do you treat them with kindness or call them names and condemn them publicly?

Mr. BOWERS. I have not anything in my mind where I have come out publicly and mistreated men, as you name.

Chairman WALSH. Do you think that the combined bankers of a community might exercise too much influence to call upon them to whip a public official into line?

Mr. BOWERS. I wish, Mr. Walsh, that you would be kind enough to me and others to state, or allow me to state, the occasion for the whipping. It would be easier for me.

Chairman WALSH. For this particular whipping?

Mr. BOWERS. Yes, sir; of the governor.

Chairman WALSH. All right, we will get down to that, if you want to do it at this time, the particular whipping of Gov. Ammons.

Mr. BOWERS. Well, efforts were brought to bear for him to call out the militia, or take such steps as he saw fit to protect life and property, and he absolutely and flatly refused to do it for weeks and weeks, until he received the condemnation of the best citizens that we knew anything about, that had the best interests of Colorado at heart to protect the State. That was the whipping that was endeavored to be done, and Mr. Welborn and the committee in charge of the affairs in the disturbance of Colorado took such measures as they could to induce the best citizens and the best boards like the chamber of commerce and the board of trade, and I don't know but what the ministerial association took part, at least there were a great many letters written.

Chairman WALSH. Did you contribute to the churches?

Mr. BOWERS. In Colorado? I always contribute to the churches.

Chairman WALSH. Go ahead.

Mr. BOWERS. That is all I have to say. It was the best measures that we could take, by the best men.

Chairman WALSH. Did I understand you to say that you did not know that your company, after you came there, had detectives in their employ?

Mr. BOWERS. I stated that they did.

Chairman WALSH. Oh, they did?

Mr. BOWERS. I took it up very early after my connection with the company. Chairman WALSH. What did they do about it, after you took it up?

Mr. BOWERS. If I remember right they paid mighty little attention to it, and thought they knew more about it than I did; that I was a tenderfoot from the East.

Chairman WALSH. They thought that you were a tenderfoot from the East and—

Mr. BOWERS. That is about where I landed at first.

Chairman WALSH. Now, you heard what Mr. Rockefeller said here on the stand, that you were the ranking officer, and you were in command out there?

Mr. BOWERS. In the departments that I had charge of.

Chairman WALSH. You were the ranking officer, he said, above Mr. Welborn and everybody else.

Mr. BOWERS. Theoretically; yes.

Chairman WALSH. Just theoretically?

Mr. BOWERS. Yes, sir.

Chairman WALSH. Do I understand your last question, that although you took a strong stand against these spies, when you told them about it, that they thought you were a tenderfoot from the East and didn't desist in hiring them?

Mr. BOWERS. These matters were perhaps taken up and edged along, and I think within a year or two they were almost entirely disposed of, and there was comparatively few of those fellows that you call spies. If you will allow me, I would like to tell you what I suggested.

Chairman WALSH. All right.

Mr. BOWERS. I suggested, instead of going outside of the camps and getting in spies, men that I regarded as 'as big rascals as you could get any place, that I would not trust any of them—

Chairman WALSH. No.

Mr. BOWERS. I said, why don't you get men in your own camps, and not get these cutthroats.

Chairman WALSH. Now, did you know about who these mine guards were that were first sworn in by Jeff Farr before there was any trouble there at all?

Mr. BOWERS. They had mine guards before I went there, years and years before this strike.

Chairman WALSH. Before the strike they had kept some of these cutthroats, and then they swore them in and your company paid them?

Mr. BOWERS. No, sir; I think not. I have a letter and a telegram in my pocket that explains that, if you care for it, from Mr. Welborn.

Chairman WALSH. I don't know what it is, but I would like to talk to Mr. Welborn a little about it on the stand.

Mr. BOWERS. Very well.

Chairman WALSH. Did you know Jeff Farr?

Mr. BOWERS. Never saw him in my life, or had a letter from him, and didn't know him at all.

Chairman WALSH. Did you hear about him?

Mr. BOWERS. I guess I did.

Chairman WALSH. He was a very strong man in Huerfano County?

Mr. BOWERS. Pretty strong.

Chairman WALSH. And they called him "King" in Huerfano County?

Mr. BOWERS. They might have called him his satanic majesty.

Chairman WALSH. And he had a way of selecting the county officers; for instance, the county commissioners?

Mr. BOWERS. I won't say about that.

Chairman WALSH. You heard about that?

Mr. BOWERS. Oh, yes.

Chairman WALSH. And if your attorney, or the attorneys of your company, were about to be put into the conduct of the prosecution of somebody by the county commissioners, that would be about the same as Jeff putting them in himself?

Mr. BOWERS. Just about the same as Tammany Hall, as Attorney General Farrar said, and I indorse that.

Chairman WALSH. And there was a connection between Jeff Farr and the company, but it is hard to tell whether the company bossed Jeff or Jeff bossed the company?

Mr. BOWERS. I won't admit that there was any connection between them after I went there.



Chairman WALSH. But the attorney general said there was up to 1913?

Mr. BOWERS. He did not know about it, after I went into office.

Chairman WALSH. You indorsed the attorney general about Jeff Farr and the conditions in Huerfano, except when you get to conditions in your own company, and as connected with you, and then you say that he was mistaken about that?

Mr. BOWERS. No; I won't deny that, but I say up to the time I went there the Colorado Fuel & Iron Co. were a party to it, and were very instrumental in establishing that deplorable condition in southern Colorado. I don't exonerate the officers of the Colorado Fuel & Iron Co. for one minute prior to October, 1907.

Chairman WALSH. And you don't believe anything that you said in that letter about voting the mules?

Mr. BOWERS. Did I say it?

Chairman WALSH. Indeed, you did.

Mr. BOWERS. I don't say anything I don't believe.

Chairman WALSH. And you found that crimes were committed against the constitution of Colorado, and the statutes of Colorado, and free government, and it was done by your company, and I suppose you notified the company that you had discovered these crimes, and appeared before the grand jury and sought to have the men indicted?

Mr. BOWERS. No, sir.

Chairman WALSH. You didn't do that?

Mr. BOWERS. No.

Chairman WALSH. Just excuse me, I want to refer to one of your letters.

Mr. BOWERS. No, sir; there were other officials, and others in authority, and I had nothing to do with the operation, I simply sandwiched in my notions of right and wrong.

Chairman WALSH. As a mere agitator, is that it?

Mr. BOWERS. Very far from it; it was more than agitation.

Chairman WALSH. But you did not go so far as to take any active action of any kind?

Mr. BOWERS. I think I did.

Chairman WALSH. What officer did you talk to about the crimes that were committed there?

Mr. BOWERS. You mean the officials?

Chairman WALSH. No; I mean the State officers, charged with the apprehension of criminals and suppression of crime?

Mr. BOWERS. I don't know that I ever met them.

Chairman WALSH. The officers you talked to were the officers of the Colorado Fuel & Iron Co.?

Mr. BOWERS. Oh, yes; sure. No; I never had a word of conversation, and never saw the governor but once on the street in my life, or the attorney general.

Chairman WALSH. And what about the prosecuting attorney?

Mr. BOWERS. I never saw him in my life.

Chairman WALSH. Now, this letter of September 18. I want to ask you about this particular thing in that letter. You remember you said: "As our miners shift more or less and new men are coming all the while, about a year ago Mr. Welborn and the writer were discussing these questions, because one or two competitive companies (both of whom tried to interest Mr. Cooper in their bonds) were cheating their miners by false weights." Now, what companies were cheating them by false weights?

Mr. BOWERS. I would have to decline, to avoid prosecution, defining acts and attitudes as to that sort of thing. I don't know that there is a war in Europe to-day, but I have every reason to believe there is.

Chairman WALSH. You were satisfied they were cheating the miners?

Mr. BOWERS. Yes, sir.

Chairman WALSH. What was the name of the company?

Mr. BOWERS. I would not say, because I could not legally name specific acts, which, as a lawyer, you understand would be necessary.

Chairman WALSH. What companies were trying to sell these bonds to Mr. Cooper? Were they big companies?

Mr. BOWERS. No; not so very big.

Chairman WALSH. They were afterwards in the operators' association?

Mr. BOWERS. Never a one of them.

Chairman WALSH. Won't you give us the names?

Mr. BOWERS. No; you will have to excuse me. I don't think you ought to ask me that. I will answer all that I can, and will be glad to, but I don't care to answer that.

Chairman WALSH. As far as that company was concerned, the miners were justified in saying that they needed a checkweighman?

Mr. BOWERS. If you will let me supplement what I said before, I think that one of these men that I had in mind, that I believe was a rascal, and cheating his miners, signed with the union, and has been signed with them since, if he is not busted.

Chairman WALSH. What about the other one?

Mr. BOWERS. They sold out.

Chairman WALSH. Then there were just two bad fellows that went in there cheating the miners, and one afterwards joined them and the other afterwards sold out?

Mr. BOWERS. I think there were quite a good many more of them.

Chairman WALSH. How do you think these miners could get justice if a lot of mine owners were cheating them in the weights of the coal that they dug out of the ground unless they had an organization powerful in number and somewhat powerful financially?

Mr. BOWERS. I had power enough to stop it.

Chairman WALSH. You think it could be left to the individual companies?

Mr. BOWERS. I had power enough to stop it in their individual case.

Chairman WALSH. Did you talk to them about it?

Mr. BOWERS. No.

Chairman WALSH. How did you have power enough to stop the other mining companies from cheating in the weights of coal?

Mr. BOWERS. You are asking me a question there that I am mighty happy to answer.

Chairman WALSH. We will all be happy, then, for once, sure.

Mr. BOWERS. Exactly. I have no sort of doubt but my associates believe that I have somewhat of a notion of my own, and one is I believe that it is the greatest folly, it is the most absolutely idiotic thing for any concern to be unfair to anybody, man, woman, or child, in anything. If I was the coldest-blooded man on earth, and didn't care a snap of my finger for God, man, or the devil, I would be as straight as one could be, absolutely beyond any question of doubt.

Chairman WALSH. Go ahead and tell what you did to fix those companies that were cheating?

Mr. BOWERS. One concern—

Chairman WALSH. Let's call it "X" concern, or give it some title; say the "X" concern.

Mr. BOWERS. Name it whatever you wish.

Chairman WALSH. All right.

Mr. BOWERS. My attention was called to it particularly by the fact that some of our friends, as you name them, our friends in the railway companies—

Chairman WALSH. Some of your railroad friends?

Mr. BOWERS. Yes, sir; were getting cut prices on their coal, and it seemed impossible that any straight fellow could cut prices as long as there was not more than 5 cents a ton profit on railroad coal—it seemed to be particularly difficult for a company to cut prices 10 cents a ton.

Chairman WALSH. Something crooked?

Mr. BOWERS. I think so. I said to Mr. Welborn, How can we stop them stealing the coal from the miners?

Chairman WALSH. And also cutting under your prices?

Mr. BOWERS. Yes, sir; also cutting under our prices, and we only made 5 cents a ton.

Chairman WALSH. You became convinced there was something wrong?

Mr. BOWERS. Yes, sir; and how could we end it.

Chairman WALSH. That is, for the miners?

Mr. BOWERS. Ourselves and the miners and all concerned. The men that work for me are as much my friends as the man that I work for. You have no doubt about that, have you?

Chairman WALSH. I would not like to say. Go ahead.

Mr. BOWERS. Now, then, we talked it over, and I said, How about these checkweighmen?

Chairman WALSH. Who did you say that to?

Mr. BOWERS. Mr. Welborn, and I guess to the executive board.



Chairman WALSH. You took it up before the whole executive board—the question of these mines cheating the miners?

Mr. BOWERS. I may or may not; I don't know whether I did or not. I don't assume much responsibility on the board, because I am only the chairman.

Chairman WALSH. Sometimes the chairman assumes quite a good deal.

Mr. BOWERS. Occasionally they do not. I took it up with these gentlemen—Mr. Welborn and perhaps other gentlemen—how can we stop that; put an end to it.

Chairman WALSH. Stealing from the miners?

Mr. BOWERS. Yes, sir.

Chairman WALSH. And of cutting your prices?

Mr. BOWERS. Cutting our prices; yes, sir.

Chairman WALSH. And stealing the coal from the miners?

Mr. BOWERS. Self-defense. In other words, they were cheating the miners and us, too. Now, I knew very well, by my own talks and interviews with our men, that the checkweighman had been optional with our miners; I had talked with superintendents in regard to it. We discussed it, and I referred to this matter in my conversation with Mr. Stewart when he visited me in Denver, stating something like this, that our own miners know that the Colorado Fuel & Iron Co. are willing and desire that the miners have their own checkweighmen. The newer men were coming in, the old men knew, and the newer men might not be advised of that, so we stated in that notice that it is the desire of the Colorado Fuel & Iron Co. that our miners secure and have their own checkweighmen.

Chairman WALSH. Was that at the time you discovered this cheating?

Mr. BOWERS. Yes, sir; just at that time—in April, 1912.

Chairman WALSH. All right.

Mr. BOWERS. That was the push.

Chairman WALSH. It was not an objection—no objection from your miners?

Mr. BOWERS. No, sir; not at all.

Chairman WALSH. Go ahead; I will not interrupt you.

Mr. BOWERS. No; I know what you were going to say. It was a matter of principle with me, and I would have done it the same as if I had had a sore finger, without it being called to my attention.

Chairman WALSH. You are opposed to sore fingers generally, but when yours is sore you begin to take notice?

Mr. BOWERS. Exactly. We agreed on that circular, and it was written in six languages and posted at the mines and at their working places, and some of them were posted when the strike was on.

Chairman WALSH. Still hanging there?

Mr. BOWERS. Yes, sir; if not, it was known in a good many places, and I understood from several sources that the Colorado Fuel & Iron Co. and your humble servant had been damned with great severity after we put those signs up. Of course immediately they saw that the Colorado Fuel & Iron Co. had posted the notices it spread all over the camp. What could those fellows do with that kind of a circular in other camps when their miners asked for checkweighmen? It didn't cost us anything, but it did the other fellow.

Chairman WALSH. It would be all right if it cost you nothing?

Mr. BOWERS. The miners pay the checkweighmen themselves. We have our weighman, but they contribute so much a month to their checkweighman. If they are honest, it is an advantage to us. If a dispute comes up with the railroad company or anyone, we have the checkweighman's testimony besides our own recorded weights. It is really an advantage; it is no disadvantage at all, and a great advantage if they are honest, and we were attempting to whip those fellows in until they would be forced to grant their miners a checkweighman.

Chairman WALSH. So they would quit cheating?

Mr. BOWERS. I can not say; a thief is a thief, wherever you put him.

Chairman WALSH. Who demanded a checkweighman?

Mr. BOWERS. That circular.

Chairman WALSH. It did not demand it of the other companies?

Mr. BOWERS. Well.

Chairman WALSH. When that circular went out in all these different languages, that was a good hint to other companies?

Mr. BOWERS. Rather a good hint.

Chairman WALSH. Did the workmen for the other companies demand checkweighmen?

Mr. BOWERS. I think they did. Some did, I know.

Chairman WALSH. It was the laborers that demanded the checkweighman when they saw this circular in all of the different languages?

Mr. BOWERS. I think so. A good many of those fellows that were cheated, in the weights on their coal, did not know it.

Chairman WALSH. How did they do it?

Mr. BOWERS. Oh, they said there was no hurry. We will run our mines; and take a good big mine, it is as large as the city of Washington, as many streets and alleys, miles long and miles wide. Here is a branch running in here, a spud, as we call it, off from the railroad, and a man would take his car and his number; I don't know that the company is responsible, but I imagine they are; that the company is responsible for running that car, and they would put on 30 or 40 shovels more on that car, or perhaps 300 or 400 more pounds put on that car than there ought to be.

Chairman WALSH. I think Commissioner O'Connell has seen that at first-hand, and described it to a witness; that is, that an honest checkweighman that wanted to cheat would do it lightly, would take off a little and put on a little?

Mr. BOWERS. Yes, sir; and you take Greeks and Servians and Italians—we have 26 nationalities or more in our mines, and they won't trust each other. You allow them to select, and they will select an Italian for a checkweighman, and it won't be any great length of time before they say that the man is taking weight off of their cars and putting it on the cars of his friends.

Chairman WALSH. They were cheating?

Mr. BOWERS. Yes, sir; they were taking off 100 pounds off of one fellow's car and putting it on the other car of their nationality.

Chairman WALSH. There was no question of nationality involved when you sent out this circular, because the company was stealing from the men; you could tell that from the price?

Mr. BOWERS. Undoubtedly.

Chairman WALSH. There was no roguery going on then?

Mr. BOWERS. Yes, sir; because they could not produce it and sell it at the price they named, that we knew, because we could produce it as cheaply as anybody in that country.

Chairman WALSH. When you got the circular out what effect did it have on the price; did they still cut under you?

Mr. BOWERS. I don't know that they did; we kept our same price.

Chairman WALSH. Did you see what effect this had?

Mr. BOWERS. The effect was that your humble servant got damned.

Chairman WALSH. Among the coal operators?

Mr. BOWERS. Yes, sir; I understand, but I did not hear them.

Chairman WALSH. But they damned you because you gave this hint to the other companies, and they told them in their various languages about this, and they began to watch this, and they came up and accused you?

Mr. BOWERS. No, sir; they didn't come up to see me.

Chairman WALSH. Didn't even call on you?

Mr. BOWERS. No, sir.

Chairman WALSH. Did you meet them socially, around at the clubs and so forth?

Mr. BOWERS. I was not a member of a club. I was slated as the best-known and the least-known man in Colorado. I didn't mix. I was not well enough, and I had too many serious illnesses in my family.

Chairman WALSH. I didn't exactly catch the drift of what you said. After you exposed them you said they didn't come up to see you?

Mr. BOWERS. I don't think they did.

Chairman WALSH. Did any of them come up before?

Mr. BOWERS. No, sir; I didn't know a half a dozen operators in the State of Colorado.

Chairman WALSH. These particular concerns, were they cutting prices with railroads?

Mr. BOWERS. I think they cheated everybody.

Chairman WALSH. You think they cheated everybody?

Mr. BOWERS. Yes; sure. They fulfill the Scriptures; they are not respectors of persons.

Chairman WALSH. You had a way to take care of your company?

Mr. BOWERS. I did.

Chairman WALSH. And you did it?



Mr. BOWERS. Yes, sir.

Chairman WALSH. Now, suppose that these men that were working for these other mines, these cheaters, suppose they had found it out through some other source, and the question of price cutting was not in it. Suppose they had stolen and still maintained prices, what chances did the Greeks and Italians and those men that were digging the coal in order to support their families, what chances did they have to make them quit cheating?

Mr. BOWERS. About the same chance that Mrs. Walsh would have in Kansas City, if she was going to a grocery and she got better weights and measures there than at any other place.

Chairman WALSH. I am going to ask you, please, not to draw your illustrations with my family, and I will not with yours; but, however, I want to get you straight, that these Greeks and Italians would have the same chance to contest against these coal companies cheating them in weights as a housewife would have that went to a store and found out a man cheated her in the weight, and then she could go to another store? You say that is a parallel case, do you?

Mr. BOWERS. I don't say it is a parallel case; it is difficult to make a parallel case.

Chairman WALSH. The truth of the matter is that some of these men that are being cheated; at first it was a sort of petty larceny proposition; they cheated a little at a time?

Mr. BOWERS. It was not large enough for the average miner to make much of a rumpus about.

Chairman WALSH. But, on the whole, it stole that much out of his labor, and out of his sweat, and off of his table, and away from his family: if it did that, he would have an awful personal grievance, would he, Mr. Bowers?

Mr. BOWERS. Why, sure; I would.

Chairman WALSH. Now, what chances would that man have, if it is not a parallel case about the housewife and the grocer; what chances would he have to keep them from stealing his labor that way?

Mr. BOWERS. I am glad that you have asked me that question. We were able to keep our mines almost entirely filled with men that would move from one mine to another because of the conditions, and because they regarded—I think I am not overjustifying ourselves—because of better treatment and honest treatment that they believed they got from the Colorado Fuel & Iron Co.

Chairman WALSH. Now, some of these men, as I understand you, would leave these other mines and come to you because they discovered or suspicioned that they were being cheated in weights?

Mr. BOWERS. I think so.

Chairman WALSH. Now, you read the testimony of Mr. Edward Doyle, given at Denver?

Mr. BOWERS. No, sir.

Chairman WALSH. You know who he is?

Mr. BOWERS. No, sir.

Chairman WALSH. He was a checkweighman at—

Mr. BOWERS. I have not read his testimony.

Chairman WALSH. You know, I am not going into the truth of it, but you know that miners accused the Colorado Fuel & Iron Co. of cheating them in weights?

Mr. BOWERS. Possibly; I presume so.

Chairman WALSH. And you will give them credit for having a fixed conviction about the fact that they were being cheated, just like you have a fixed conviction that the war is going on in Europe, and they had a fixed conviction that the operators were cheating them?

Mr. BOWERS. Sure.

Chairman WALSH. If that is true, it was a mighty just grievance of the miners?

Mr. BOWERS. On being cheated?

Chairman WALSH. If they believed that it was a real grievance?

Mr. BOWERS. It would be with me.

Chairman WALSH. Now, that was one of the grievances that they claimed gave them the right to go into an organization of their own, to deal with your companies collectively, was it not?

Mr. BOWERS. I presume so; I can not say.

Chairman WALSH. You saw the bulletin sent out by Mr. Ivy Lee, or his stenographer or office boy, or by the association of operators in Colorado?

Mr. BOWERS. I think I never read but one of them all through.

Chairman WALSH. You never read but one of them?

Mr. BOWERS. I never read but one, and that I criticized.

Chairman WALSH. You didn't have much use for that one yourself?

Mr. BOWERS. As I say, I kept out as far as I could.

Chairman WALSH. Was that the one that gave the supposed pay of the mining officials?

Mr. BOWERS. I can not recall; he offered me the manuscript, or brought it in to me to look it over.

Chairman WALSH. What did you think about it?

Mr. BOWERS. I read it over, and he said, "Now, I think right there at that point it would be a good idea to say," so and so, and I said, "I think it is a good thing to say just exactly the opposite right at that point."

Chairman WALSH. Was the question of fact—

Mr. BOWERS (interrupting). I don't know whether it was a question of fact or imagination or what.

Chairman WALSH. But this thing that he thought was a good thing to put in, and you thought the opposite was; was that a question of fact as to some detail that was going on in the mine?

Mr. BOWERS. I don't recall what it was.

Chairman WALSH. Was it true what he wanted to put in?

Mr. BOWERS. It was his opinion; it may have been true or not. I have my opinions and he has his, and Mr. Murphy has his, and Mr. King has his. We all have our opinions. We don't agree on all things. Adam and Eve had differences with the Almighty, as I understand it.

Chairman WALSH. You take me a little off; I am going to get back to that when we come to Mr. McCorkle's testimony, but I don't want to get to these religious subjects yet. Now, I want to ask you to look at the bulletin entitled "Facts Concerning the Struggle in Colorado for Industrial Freedom" and see if you can pick out the bulletin that Mr. Lee showed you.

Mr. BOWERS. I don't know what topic it was on, even; I couldn't do it. I only read the one, and I don't remember what topic it was on.

Chairman WALSH. Now, after all this stealing went on and after the charge that the miners made that they were being cheated, and it was a real grievance, you knew that Mr. Ivy Lee published some strong bulletins for the purpose of showing that the miners did not have any grievances?

Mr. BOWERS. That may be; I have not read them.

Chairman WALSH. But the miners surely had their grievance against these other companies?

Mr. BOWERS. I so stated; some of the other companies. I would not make that too broad.

Chairman WALSH. There was enough of them so that it was interfering with you, with your profits; they were cutting in on your business?

Mr. BOWERS. No; I don't think it cut into our business a particle. One of these men—no; I will withdraw that. I am mighty sure that the men interested in one of the companies in quite a large capacity did cheat an important railroad.

Chairman WALSH. Oh, he cheated the railroad, too?

Mr. BOWERS. He was a thief. He cheated the railroad, and I understand he was compelled to refund a large amount of money to a railroad because of his shortages.

Chairman WALSH. The railroad took after him?

Mr. BOWERS. I so understand.

Chairman WALSH. It was a good big thing?

Mr. BOWERS. Yes, sir; and they got it back.

Chairman WALSH. Of course, no one individual miner, an Italian or Greek, could take after them that way and make them come back?

Mr. BOWERS. I would not like to have an Italian or Greek or any other fellow with a good grievance to take after me.

Chairman WALSH. But they were too ignorant to know generally that they were being cheated?

Mr. BOWERS. No, sir; I don't think so.

Chairman WALSH. But they stole it in such small amounts, it was a sort of petit larceny proposition; even if they caught them they couldn't tell what they had stolen?

Mr. BOWERS. No, sir; I suppose not. It is in fairness to these men—I won't accuse all those men of trying to cheat in overloading their cars. I don't know



that all of them were dishonest, but it is not a thing of much importance to say to a fellow, "Throw on 50 shovels more coal on there," and they would rather do that than to lose their job.

Chairman WALSH. And if they lost their job they could not support their families?

Mr. BOWERS. That is it, exactly.

Chairman WALSH. But the railroad, when it found they were being cheated, it said, "Here, sir, give us back this money or we will prosecute you and not buy any more coal of you"?

Mr. BOWERS. Yes, sir; they surely could, but I don't know that is what occurred.

Chairman WALSH. But you believe it as firmly as you believe the war is going on in Europe?

Mr. BOWERS. I have not the slightest doubt that there was a lot of that thing going on in the coal fields there, I will say, prior to 1908.

Chairman WALSH. I will request you, Mr. Bowers, to retire from the stand for an hour or two, so that we can use another witness.

Mr. BOWERS. It is very essential, if possible, for me—I have three very important meetings in the Middle West, and I would hate very much not to be present at those meetings; and I would like very much, if I can, to get away from here this afternoon some time.

Chairman WALSH. I think we can conclude with you this afternoon.

Mr. BOWERS. All right; if you can.

Chairman WALSH. It was suggested to me that it would be best, perhaps, not to keep you too consecutively on the stand.

Mr. BOWERS. I would just as leave stay here until 12 o'clock.

Chairman WALSH. It is all right, is it, Mr. Murphy?

Mr. MURPHY. Yes, sir.

Chairman WALSH. It was suggested to me—last week the temperature was very high, and I guess you know that Mr. Murphy spoke to me and said it might be well not to keep you too long on the stand?

Mr. BOWERS. Yes, sir. Before I came here I was laid up for a month, and my physician did not want me to come.

Chairman WALSH. If you feel the least fatigued at any time you may retire, and we will be glad to put on another witness. We will take an adjournment here for five minutes, anyway.

(After adjournment.)

Chairman WALSH. Now, Mr. Bowers, will you resume the stand, please? Did you consider the authorities—the constituted authorities—had adequate means for protecting your people in the early days of the strike?

Mr. BOWERS. Yes; I did.

Chairman WALSH. There was never any necessity for—as near as you could observe—for your company buying revolvers or guns or rifles, or anything of that sort?

Mr. BOWERS. Not if we could have secured the cooperation or help that we thought we were entitled to from the governor; but he declined to do it for several weeks.

Chairman WALSH. Oh; and was it during the time the governor declined to give you the necessary help that the arms were purchased?

Mr. BOWERS. I think it must have been; yes, sir.

Chairman WALSH. Now, you felt that if the authorities did not protect your property that you would have to take your own means to do it?

Mr. BOWERS. Well, it was in defense of our miners; we never had less than 50 per cent of our men working.

Chairman WALSH. I see; and the governor would not extend you the protection that you—

Mr. BOWERS. He did not.

Chairman WALSH. He did not?

Mr. BOWERS. No.

Chairman WALSH. What means did you take to guard your own property?

Mr. BOWERS. We always have guards, as we have perhaps 25 or 30 mines, some 12 or 15 miles removed from any county seat or any civic authority, and we had to have marshals. On pay days, sometimes, these men have brawls and fights and we have to have constables and guards. We have guards in every mine, the same as the Government and all State authorities, to prevent people coming in. We could not have people coming in and running back and forth through the mines.

Chairman WALSH. You couldn't have them running through your house either?

Mr. BOWERS. No; I couldn't have them running through the house. It was simply an enlargement of that idea. We had those guards because, if you will allow me to state, we knew from past observation and from strikes elsewhere all over the country—I am pretty familiar in my business career with the strikes in Pennsylvania, and I have been called down once or twice in my life for wishing that the strikers would win.

Chairman WALSH. In Pennsylvania?

Mr. BOWERS. Yes.

Chairman WALSH. Against what company?

Mr. BOWERS. Oh, I remember what is known as the long strike—eight or nine months—away back in, I think, 1870—

Chairman WALSH (interrupting). Among the coal miners?

Mr. BOWERS. Coal miners in the anthracite regions. I was in the wholesale grocery business and was about 23 or 24 years old, and we went down through there selling goods; and my sympathies were entirely with the strikers. They were largely Welshmen that had come over here, and were a splendid lot of citizens and a splendid population.

Chairman WALSH. Well, they may have been splendid, wherever they come from?

Mr. BOWERS. Oh, yes.

Chairman WALSH. You think so, don't you?

Mr. BOWERS. Yes. I know they were splendid men, and I thought were unjustly treated, and I hoped they would win. My sympathies were with them, but I may have been absolutely wrong, but that was my personal feelings.

Chairman WALSH. Well, I am afraid that I have taken you away from the subject. The subject was you had had experience in other places, in Pennsylvania, or from observations, and therefore had reason to anticipate certain actions?

Mr. BOWERS. Exactly. Whenever a strike is called, if part of the men continue to work and part of them did not, we were liable to have very serious trouble.

Chairman WALSH. Now, how do you provide to protect your property to keep them from committing arson or destroying property or hurting the men?

Mr. BOWERS. Under normal conditions?

Chairman WALSH. No; under strike at any of these other places?

Mr. BOWERS. Oh, I don't know. I don't recall that. I couldn't answer that. It is too long ago.

Chairman WALSH. Well, regardless of having anything to do with it or not, you did arm them in Colorado?

Mr. BOWERS. I had nothing to do with it.

Chairman WALSH. I know, but you knew of it as a citizen of Colorado, regardless—

Mr. BOWERS (interrupting). I knew the guardsmen were increased there; yes.

Chairman WALSH. But you believe, do you not, and you did believe, that if there was danger—

Mr. BOWERS (interrupting). I certainly did.

Chairman WALSH (continuing). Of causing explosions at the mine and causing destruction of property and loss of life, and the governor would not furnish you with the necessary means of defense, that you would have to defend yourself?

Mr. BOWERS. Yes, sir.

Chairman WALSH. You believed in your God-given right to do that, didn't you?

Mr. BOWERS. Yes, sir.

Chairman WALSH. That is, if you called on the governor who was—he should have done the act that was proper for actually protecting life and protecting against explosions and the like of that, and if he failed to do it, then the only thing you could do would be to defend yourselves?

Mr. BOWERS. And the property out there.

Chairman WALSH. To defend your property and your lives?

Mr. BOWERS. Surely.

Chairman WALSH. And, of course, you had to be the judge as to that, didn't you?

Mr. BOWERS. Yes, sir.



Chairman WALSH. And that is a rule of conduct under which all just and civilized men will act anyway?

Mr. BOWERS. Yes, sir.

Chairman WALSH. You would not take it for yourself and not give it to somebody else.

(No answer.)

Chairman WALSH. And if you had reason to believe—to put it more locally—that a group of miners were coming to your house to attempt an assault upon you and the governor refused to act and refused to give you the protection that was demanded, you would take, as a man, whatever means were necessary to defend yourself, would you not?

Mr. BOWERS. No, sir; I would not.

Chairman WALSH. What would you do?

Mr. BOWERS. I never had a gun or a revolver or any protection myself. I never had the slightest fear, personally, of any violence whatever of that kind; never.

Chairman WALSH. What would you do?

Mr. BOWERS. I don't know.

Chairman WALSH. Suppose there was a body of men——

Mr. BOWERS (interrupting). I certainly should not go——

Chairman WALSH (interrupting). You would go just as far as you would to protect a mine?

Mr. BOWERS. I have never been placed in any position where I had fear of any man opposed to me at all. Of course the man might be a stranger or a crank and do me violence, but I have no fear. I don't know what I would do under certain circumstances, but apart from the proposition of my getting up a defense and fighting anybody that comes along that don't agree with me—I should not do that.

Chairman WALSH. No; but you would go as far in defending your life and the lives of your family as you would of property?

Mr. BOWERS. Oh, yes. If I had from the governor no defense, I should appeal to the officers of the law.

Chairman WALSH. And if the officers of the law did not act——

Mr. BOWERS. I suppose I might take to the woods.

Chairman WALSH. Would you run?

Mr. BOWERS. I would run.

Chairman WALSH. Suppose you family couldn't run.

Mr. BOWERS. I am something of a runner.

Chairman WALSH. You would simply go as far as you would go to get guards and arm them and tell them not to do anything unless an assault was made, but to be ready in case they intended to blow up the mine or take lives; you would go that far?

Mr. BOWERS. The same as I would on pay day to protect the citizens there and the people from drunken men. We had marshals and deputies and asked them to keep order, the same as any well-regulated community, and I would increase them if necessary.

Chairman WALSH. You would increase them if necessary?

Mr. BOWERS. Yes, sir.

Chairman WALSH. And if they were guards you would arm them?

Mr. BOWERS. They would not be very effective without arms.

Chairman WALSH. And despite the matter of fact that you were simply chairman of the executive board and not in the operating department, you do know you did arm the guards.

Mr. BOWERS. Why, certainly.

Chairman WALSH. Did it for the purpose of protecting your property?

Mr. BOWERS. I have not the slightest doubt.

Chairman WALSH. They were their own employees, and if anybody had attempted to blow up that property, why, of course, these guards would have resisted and shot them?

Mr. BOWERS. I don't know what they would do. They were there with their guns to protect that property and meet the cases whenever they would come up—I would not cross the bridge until I came to it.

Chairman WALSH. Well, they would also protect life in case there was danger of assault?

Mr. BOWERS. That is what they are there for.

Chairman WALSH. That is what they are there for?

Mr. BOWERS. Yes; sure.

Chairman WALSH. And to protect life and property?

Mr. BOWERS. Yes, sir.

Chairman WALSH. And they were representing the Colorado Fuel & Iron Co.?

Mr. BOWERS. Yes, sir; and a number of other operators.

Chairman WALSH. All have their guards?

Mr. BOWERS. I think so.

Chairman WALSH. And they armed their guards?

Mr. BOWERS. It was done collectively, after the strike began.

Chairman WALSH. And collectively you made up your minds that you thought there would be some violence committed and some mines blown up, and the like of that, and you had better get ready?

Mr. BOWERS. I did not make up my mind at all or approve the judgment or discuss it or take part, directly or indirectly, or have anything to do with it.

Chairman WALSH. No; but did Mr. Welborn, the president, see you every day?

Mr. BOWERS. Mr. Welborn will answer for himself. You will have him on the stand, I understand. I myself, personally, had nothing to do with it.

Chairman WALSH. You had an office in the Boston Building?

Mr. BOWERS. Yes, sir.

Chairman WALSH. And you would see him every day?

Mr. BOWERS. A good many times a day.

Chairman WALSH. A good many times a day?

Mr. BOWERS. Yes. If you will allow me to tell, it was the understanding there that I should not be annoyed with those things, because of my physical condition and the strain I was under for various reasons, and he was very considerate of my age, if nothing else, and did not annoy me with it.

Chairman WALSH. Where did you get this information you used to send to Mr. Rockefeller and to Mr. Murphy at New York?

Mr. BOWERS. Some of it, I could not say where I did get it or who advised me; I got information from all kinds of men, politicians, and ministers, sociological workers, and doctors, and lawyers; I had a pile on my desk that high, of all kinds of suggestions as to what I should do; I did not lack anything in the way of advice.

Chairman WALSH. Leaving out the ministers and the sociological workers, and those, and getting down to the information you got from Mr. Welborn and Mr. Weitzel and the other gentlemen, you kept pretty actively informed as to what was going on in the field, did you not?

Mr. BOWERS. Yes, I did.

Chairman WALSH. I notice here that on April 18 you wrote Mr. John D. Rockefeller, jr., and you stated to him that you had been so busy since you returned and so few matters of importance in connection with the strike had come up, that you had not written him. Since your return, where had you been?

Mr. BOWERS. On a rest, which I have been forced to take for the last couple of years, every few months, for a week or so.

Chairman WALSH. And you said so few matters of importance had come up in connection with the strike that you had not written him?

Mr. BOWERS. Yes.

Chairman WALSH. And you said, "Speaking broadly, there is a decided weakening all along the line on the part of the labor leaders."

Mr. BOWERS. Yes.

Chairman WALSH. Everything had quieted down at that time?

Mr. BOWERS. My letter will answer that; I will admit everything in that letter.

Chairman WALSH. The letter continues, "We have reliable information that the United Mine Workers of America are pinched as never before for funds."

Mr. BOWERS. Yes.

Chairman WALSH. That was real information and you were transmitting it to Mr. Rockefeller?

Mr. BOWERS. Yes.

Chairman WALSH. And then the letter proceeds, "The present week in northern Colorado may cut off the relief of 140 miners?"

Mr. BOWERS. Yes.

Chairman WALSH. They cut that off?

Mr. BOWERS. Yes.

Chairman WALSH. "Which has created a very bad feeling on their part"—that is, on the part of the workers to have their provender cut off?

Mr. BOWERS. It undoubtedly did.



Chairman WALSH. "And as some of them are still kept on the pay roll, say, it is only a matter of time when they will all be cut off from any funds whatever." That was reliable information you had?

Mr. BOWERS. I regarded it so.

Chairman WALSH. You regarded it as reliable enough to send to your principal, Mr. Rockefeller?

Mr. BOWERS. Yes.

Chairman WALSH. Then the letter proceeds, "In southern Colorado the labor leaders are making a thorough canvass of the strikers' camps, and a very large number are to be eliminated from the pay roll when the canvass is completed." That was your information?

Mr. BOWERS. Yes.

Chairman WALSH. Then this follows:

"A matter of more significance, in my opinion, is the change of attitude of the local representatives of the union from that of the past few months toward the miners themselves. Heretofore they have constantly endeavored to encourage the miners to hold out, as victory was sure to be won. Now, instead of encouragement they dodged the issue, and in some cases deliberately undertake to offend the miners, expecting they would quit the camps and go back to work, and thereby relieve the organization from its financial burden, knowing that the strike has been a failure and that eventually the miners will have to shift for themselves.

"A large number of the militia have been withdrawn, but Mr. Welborn and other operators believe enough are retained to protect the camps, supplemented by our own guards.

"Another favorable feature is the organization of a military company of 100 volunteers at Trinidad the present week."

If things were quieted down, and the men were being pinched for funds, and the labor leaders were trying to discourage them so they would go back to work, and that a very large number of them were about to be eliminated from their pay roll, and Mr. Welborn and other operators believed that enough were retained to protect the camps, and that these could be supplemented by their own mine guards, now, what was the favorable feature in the organization of the military company of 100 volunteers at Trinidad that week?

Mr. BOWERS. I do not recall of that; I have not read it over; it is practically new matter. I suppose there were threats going and coming, "We are going to do this" and "We are going to do that," and they were running in at that time some guns—

Chairman WALSH (interrupting). Running in what?

Mr. BOWERS. We had good reason to believe they were running in at that time some guns. I have not the slightest doubt that I felt at that time, from the information that I had, that there was still danger, because there was inflammable material—lots of it—and that there might be outbreaks somewhere, and the local company had taken the place of others that had been withdrawn.

Chairman WALSH. That was what was afterwards known as "Troop A"?

Mr. BOWERS. I do not know about that.

Chairman WALSH. There was only one volunteer company organized; wasn't that all?

Mr. BOWERS. I don't know about that; I presume that is true.

Chairman WALSH. Now, you know the company that was organized a few days before the Ludlow massacre was involved in that fight, don't you?

Mr. BOWERS. I don't know; no, sir.

Chairman WALSH. You have not heard it yet?

Mr. BOWERS. I may have heard it, but I don't know what company.

Chairman WALSH. You followed by saying "They are to be armed by the State." I had better read that whole paragraph:

"They are to be armed by the State and drilled by military officials. Another squad is being organized at Walsenburg. These independent militiamen will be subject to orders of the sheriff of the county."

That was Jeff Farr, wasn't it?

Mr. BOWERS. I don't know. What county is it?

Chairman WALSH. Huerfano County.

Mr. BOWERS. I don't know whether Walsenburg is in Huerfano County or not. Trinidad is in Las Animas County, and they have different sheriffs.

Chairman WALSH. Then the letter continues: "These independent militiamen will be subject to orders of the sheriff of the county."

Mr. BOWERS. That was a sheriff, I think, by the name of Gresham?

Chairman WALSH. Was he a friend of yours? Was he a friend of the company?

Mr. BOWERS. I never saw him in my life.

Chairman WALSH. Was Jeff Farr a friend of yours?

Mr. BOWERS. Not of mine.

Chairman WALSH. Was he a friend of the company?

Mr. BOWERS. I don't know.

Chairman WALSH. Didn't the company keep in pretty close touch with this sheriff, Jeff Farr, generally? Wasn't there some connection between him and your company?

Mr. BOWERS. I am mighty sure there was.

Chairman WALSH. What kind of a connection?

Mr. BOWERS. I don't know—a political connection; I would rather say a saloon connection.

Chairman WALSH. The company and he were both in the saloon business?

Mr. BOWERS. Mighty close to it.

Chairman WALSH. They were?

Mr. BOWERS. I guess so.

Chairman WALSH. Now, you say, "As these volunteers will draw no pay from the State, this movement has the support of the governor and others in authority." Who were the volunteers to get their pay from?

Mr. BOWERS. I do not think they had any pay at all.

Chairman WALSH. The members of this Troop A did not have any pay?

Mr. BOWERS. No; I do not think so. My understanding was they were citizens that volunteered to protect the city of Trinidad against violence—bankers and clerks in stores, professional men and lawyers and doctors were joined in a militia company without any pay whatever.

Chairman WALSH. What lawyers were in it?

Mr. BOWERS. I don't know.

Chairman WALSH. Or what doctors?

Mr. BOWERS. I don't know whether there were any lawyers or doctors in it; but it was made up of citizens of the community for the purpose of protecting the city against violence.

Chairman WALSH. After the fight at Ludlow, Maj. Boughton's commission had a hearing.

Mr. BOWERS. Where?

Chairman WALSH. At Trinidad.

Mr. BOWERS. I did not read the report of that commission.

Chairman WALSH. Now, I notice you are sending a great deal of information here to the Messrs. Rockefeller?

Mr. BOWERS. Yes.

Chairman WALSH. And you would not send it and try to disseminate it unless you had the facts—as well as you could get them?

Mr. BOWERS. I did not intend to disseminate it; that is all private correspondence, every single line and word of it is private correspondence.

Chairman WALSH. Oh, is that so—just between you?

Mr. BOWERS. All those letters are.

Chairman WALSH. And the telegrams?

Mr. BOWERS. Yes.

Chairman WALSH. It is private correspondence just like between the members of a family?

Mr. BOWERS. I would not say as private as between the members of a family.

Chairman WALSH. But very private and close. The information in them was just intended for the eyes of Mr. Rockefeller?

Mr. BOWERS. I do not assume to be on relations as intimate as family relations with Mr. Rockefeller.

Chairman WALSH. Perhaps that is putting it too strong; but it was just for his information and not intended to be published?

Mr. BOWERS. It would be made public to any bondholder or stockholder.

Chairman WALSH. But that is all?

Mr. BOWERS. It was not intended for the public.

Chairman WALSH. Now, on April 21 you sent this telegram to Mr. John D. Rockefeller, jr.:

"Following withdrawal of troops by order of governor, an unprovoked attack upon small force of militia yesterday by 200 strikers. Forced fight, resulting in probable loss of 10 or 15 strikers. Only 1 militiaman killed. Ludlow



tent colony of strikers totally destroyed by burning 200 tents, generally followed by explosions, showing ammunition and dynamite stored in them. Expect further fighting to-day. Militia being reinforced. Suggest your giving this information to friendly papers.

"L. M. BOWERS."

Mr. BOWERS. Yes.

Chairman WALSH. Wasn't that intended to be disseminated?

Mr. BOWERS. Yes; that part was. I will not let my broad statement apply to that.

Chairman WALSH. Now, Mr. Rockefeller says he did not know who you meant by the friendly papers. What papers did you think were friendly to the Rockefeller interests? You had been with them 20 years and had operated this big ship-building concern and the ore business, and you referred to "friendly papers," what ones were they?

Mr. BOWERS. I could not name them. There are two sides to these questions that come up—Mr. Rockefeller's and mine. I have friends in the newspaper business who make friendly comments, and I call them friendly, and some others damn me pretty seriously, and I don't call them friendly.

Chairman WALSH. Which ones did you mean in this instance?

Mr. BOWERS. The friendly ones.

Chairman WALSH. Which were they?

Mr. BOWERS. I don't know; we have mighty few of them—some of us have.

Chairman WALSH. I will ask you if you saw this in the report of the military commission—you did not read Maj. Boughton's report?

Mr. BOWERS. No, sir.

Chairman WALSH. Did Mr. Welborn tell you what was in it?

Mr. BOWERS. I have not the slightest recollection.

Chairman WALSH. When or where did you get the information that Troop A, that we have just been talking about, contained physicians and lawyers and other residents there—these volunteers?

Mr. BOWERS. Mr. Walsh, we were in war, as it was so called by a great many; they had their headquarters of war with their different officers there and the conduct of it was war; we did not call it anything else; I did not call it a strike; and all these matters were common newspaper talk; a great many people in and out of the office talked about this, and many of the reporters exaggerated it; I skimmed out what I thought was reliable, and revised the others.

Chairman WALSH. You say in this letter, speak in this letter, of the favorable feature of the organization of that military company—of this troop. You knew, did you not, that that was composed of your superintendents and foremen and clerks and storekeepers and mine guards, principally?

Mr. BOWERS. We did not have a mine in Trinidad at all, not one; we had no superintendents or stores; we did have one retail grocery.

Chairman WALSH. Did you have any in the neighborhood of Ludlow?

Mr. BOWERS. Well, in the neighborhood; we had nothing at Ludlow.

Chairman WALSH. What is Hastings?

Mr. BOWERS. That is not ours; I am not very familiar with the geography of that county.

Chairman WALSH. Could you give the names of your mines in Huerfano County?

Mr. BOWERS. I could not name them.

Chairman WALSH. Could you give the names of your mines in Las Animas County?

Mr. BOWERS. I could not.

Chairman WALSH. Do you say you did not have any in the vicinity of Trinidad?

Mr. BOWERS. I do not know just what you call "in the vicinity of Trinidad."

Chairman WALSH. What was the closest ones you had to Trinidad?

Mr. BOWERS. None of the mines are in Trinidad.

Chairman WALSH. No; but I mean in the neighborhood of Trinidad.

Mr. BOWERS. We have what is called the Trinidad district and the Walsen district.

Chairman WALSH. Have you mines in the Trinidad district?

Mr. BOWERS. Lots of them.

Chairman WALSH. I will read you now what this report states, and ask you if you were not so advised yourself, and if you did not actually pay these men money for the time they spent at Ludlow?

Mr. BOWERS. Just a moment; I will precede that with the statement that I know nothing about that, or whether a penny was paid, or how it was organized.

Chairman WALSH. Nevertheless, I am going to read it to you and ask you a question or two, and ask you whether or not the deduction is there to justify that:

"A troop of National Guards were enlisted about the middle of April among the superintendents and foremen, the clerical force, physicians, storekeepers, mine guards, and other residents of the coal camps."

Mr. BOWERS. Yes.

Chairman WALSH. Now, that was the company that afterwards shot and killed people at Ludlow; that poured oil on the tents of those striking miners and burned them down and robbed the dead and living, and looted the camp, wasn't it?

Mr. BOWERS. I could not go into any such thing as that, for I know nothing about it.

Chairman WALSH. Didn't you inquire?

Mr. BOWERS. I inquired as I would about any war; as I would about the European war; as I have told you a number of times, with all due respect to you, I was compelled to keep out; I could not sleep; I was suffering from insomnia, and excitement of that kind would affect me, and in two or three or four nights I would be prostrated; and I kept out of it; I would not allow that sort of stuff to come into my mind.

Chairman WALSH. What sort of stuff wouldn't you allow to come into your mind?

Mr. BOWERS. Anything I could help.

Chairman WALSH. You say in this telegram, "Forced fight resulting in probable loss of 10 or 15 strikers. Only 1 militiamen killed. Ludlow tent colony of strikers totally destroyed by burning 200 tents, generally followed by explosions, showing ammunition and dynamite stored in them. Expect further fighting to-day. Militia being reinforced." It seems to me from that as though you had the detailed information that a general might have who was actually in a fight, and who was reporting it to the War Department, to draw a simile. That was a telegram from Mr. L. M. Bowers to Mr. John D. Rockefeller, jr.

Mr. BOWERS. That would come from the committee that was handling the coal properties there, like any other message, and saying that those were the facts. I have not the slightest doubt that that letter may have been referred to Mr. Welborn as I outlined it, or referred it to the executive committee to pass on it; I may have taken a great deal of pains about that; but I have no recollection whatever of the letter. I could not say positively about it, but my actual knowledge of participation in that matter is simply as I say; I gave no attention to it except as hearsay and what I got in my office, and what I would inquire about in writing a letter to Mr. Rockefeller or any other stockholder.

Chairman WALSH. It was very detailed information; you told about the violence and the number killed, the property destroyed, and the rest of that detail.

Mr. BOWERS. I may have cut out newspaper articles, and I may have got the information from others. It was a friendly letter just as though I was not connected with the company.

Chairman WALSH. Just as a citizen writing to Mr. Rockefeller?

Mr. BOWERS. Yes; if you like.

Chairman WALSH. It came from you as the ranking officer, as a man who had been in their employ for almost 20 years on a letter head of this kind, "The Colorado Fuel & Iron Co., Denver, Colo.; executive department; L. M. Bowers, chairman."

Mr. BOWERS. Yes; I do not dodge a single jot or tittle of that.

Chairman WALSH. Didn't you make all these reports, Mr. Bowers, as chairman of the executive committee, and, as you put it yourself before the congressional committee, as the "hired man of Mr. Rockefeller"?

Mr. BOWERS. No; I was employed by 2,200 stockholders and the board of directors, and Mr. Rockefeller represented just one; he had only 1 director in 15 in that company when I went there.

Chairman WALSH. Did you write to any other of the stockholders except Mr. Rockefeller?

Mr. BOWERS. Yes, sir; and bondholders, too.

Chairman WALSH. Letters of that kind?

Mr. BOWERS. Letters of inquiry; I gave them the information—all the information I could gather.



Chairman WALSH. Give us the names of any other of the stockholders you wrote letters to similar to this.

Mr. BOWERS. I would have to have my memoranda in regard to that.

Chairman WALSH. Can you think of any other person except Mr. Rockefeller to whom you wrote, giving such detailed information as you give here in these letters?

Mr. BOWERS. Yes; I can recall a gentleman in Brooklyn.

Chairman WALSH. That is good.

Mr. BOWERS. This gentleman, I think, had \$100,000 invested in the company. I think his name is Streeter.

Chairman WALSH. What are his initials, his full name?

Mr. BOWERS. I can not recall.

Chairman WALSH. Do you know his address?

Mr. BOWERS. No; I think he was something of a capitalist.

Chairman WALSH. Any others?

Mr. BOWERS. Then I remember of a letter from a very old gentleman—I think he told me in one of his letters that he was between 80 and 90 years of age—that he had \$100,000 or \$150,000 invested in the company, and he wrote me, and I wrote to him in reply to his letters.

Chairman WALSH. Did Mr. Streeter write you also?

Mr. BOWERS. I never wrote to any of these unless they wrote me, making inquiry.

Chairman WALSH. In Mr. Rockefeller's case you wrote regular reports at stated intervals and when you were not inquired of, did you not?

Mr. BOWERS. Yes.

Chairman WALSH. In other words, you were writing to him as the largest stockholder in this company, as the man you thought you were working for, and as the man who had a vast influence on account of the amount of his holdings in that company and other corporations—much vaster than that of any other man you knew of in this country?

Mr. BOWERS. Yes.

Chairman WALSH. I am going to call your attention, as quick as I can, to some of these letters.

Mr. BOWERS. I would like to add right in that connection that I was still an official in other corporations and wrote once a month a detailed report of the other companies, like the Cleveland Steel Co.; I was writing constantly to him, or frequently, about the companies he was interested in.

Chairman WALSH. And that includes also the letters you wrote to Mr. Starr J. Murphy, who was a director at 26 Broadway?

Mr. BOWERS. I do not know how I happened to write him.

Chairman WALSH. Do you think it grew out of the fact that you were chairman of the executive board and he was a director of the company?

Mr. BOWERS. I am quite inclined to believe that my relation with Mr. Rockefeller's office and with Mr. Starr J. Murphy—I have been connected with them so many years that they would naturally come to me out of courtesy and perhaps because of my age in regard to matters. As you notice from the most of the correspondence, Mr. Welborn did not get into it until about the time I stopped.

Chairman WALSH. Was that information for them personally or for the office?

Mr. BOWERS. Whatever they saw fit to do with it.

Chairman WALSH. You intended it to be information for that office, did you not?

Mr. BOWERS. I left that matter for Mr. Murphy or Mr. Rockefeller to do with as they saw fit.

Chairman WALSH. Your intention was that you were forwarding it as information for that office, was it not?

Mr. BOWERS. If you will let me go back—

Chairman WALSH (interrupting). I will read you this letter, dated September 19.

Mr. BOWERS. 1914?

Chairman WALSH. 1913. That was when Mr. Murphy wrote you that Mr. Ethelbert Stewart was coming out there. That was from you as chairman of the executive board for the information of that office.

Mr. BOWERS. I will say that Mr. Murphy was a director.

Chairman WALSH. "Mr. Starr J. Murphy, 26 Broadway, New York."

Now, you kept track of the details and what the miners were doing in their own organization, did you not; how their convention was constituted, and such matters as that, at the time the strike was called?

Mr. BOWERS. Personally I did not keep track of it.

Chairman WALSH. But you gathered the information as chairman of the executive board and transmitted it?

Mr. BOWERS. Make it as broad as you wish; I wrote that letter and you can place the absolute responsibility on me for it, if you wish.

Chairman WALSH. What I am trying to inquire of you is, is it not a fact that you went so deeply into the minute of this subject so as to be able to tell 26 Broadway the constituent elements that were in the convention of the miners that called the strike?

Mr. BOWERS. Yes.

Chairman WALSH. Is that right? If it is there, it is all right?

Mr. BOWERS. Yes.

Chairman WALSH. Then I will just refer to it without going into the contents of the letter.

And, then, did you receive this letter of September 24, 1913, from Mr. Rockefeller:

"DEAR MR. BOWERS: Your letter of September 4, inclosing statement for the fiscal year, was forwarded to me at Seal Harbor and read with much interest. The showing which your company has made this year is very gratifying. We are glad to have the president and vice president of the company know of our appreciation of the work which they have done, and in which we know they have been so ably seconded by the loyal organization which they have built up.

"I have delayed acknowledging the report that I might have the opportunity of sending this personal word of appreciation.

"Very sincerely,

"JOHN D. ROCKEFELLER, Jr.

"MR. L. M. BOWERS,

"*Colorado Fuel & Iron Co., Denver, Colo.*"

That was a date after the men went out on a strike; is that right?

Mr. BOWERS. The date of it?

Chairman WALSH. Yes.

Mr. BOWERS. I don't remember.

Chairman WALSH. They went out on September 23, 1913, and this letter is dated September 24, 1913.

Mr. BOWERS. I do not recall it at all.

Chairman WALSH. Now—

Mr. BOWERS (interrupting). Is that Mr. Rockefeller's letter?

Chairman WALSH. Yes.

Mr. BOWERS. Was that letter written the day after the beginning of the strike?

Chairman WALSH. Yes.

Mr. BOWERS. And written in reply to a letter I wrote him?

Chairman WALSH. Yes.

Mr. BOWERS. That was 20 days before the strike. He refers to my letter of September 4, 20 days before, inclosing statement for the fiscal year, which was forwarded to him at Seal Harbor, Me.

Chairman WALSH. And on September 24, 1913, he sent you that letter in reply. Now, your estimate of the number of men that went out on strike was 8,000, was it not?

Mr. BOWERS. I do not recall that I made an estimate. I may have.

Chairman WALSH. Sir?

Mr. BOWERS. I think, perhaps, I may. I think, probably, about 50 per cent of the men—not 8,000—out of our camp.

Chairman WALSH. No; from 40 to 60 per cent of all went out, and went to other places, or went to live in the canyons out there?

Mr. BOWERS. Yes.

Chairman WALSH. Did the large number of them that did that make an impression on you to the effect that they had some real grievance if they would leave their employment and go out to live in that manner?

Mr. BOWERS. I do not believe I can throw any light—you have so much testimony from men that know all about the matter. It would simply be an opinion of mine, and I do not think you would regard it as very valuable.



Chairman WALSH. Yes; I do regard it as exceedingly valuable, and we have asked the opinions of many people, and consider it in many cases of more importance than the testimony of those who had actual knowledge of the circumstances.

Were you advised as to what took place in that industry in 1903 and 1904? About that strike?

Mr. BOWERS. Yes. I never got into that.

Chairman WALSH. Don't you know that many of the men were deported?

Mr. BOWERS. No; I do not. If you will allow me to state—

Chairman WALSH. Certainly.

Mr. BOWERS. One of my first interviews with Mr. Welborn and the manager then, a man named Thompson, when I first went there was this, "Have you good reason to be objecting to the unions?" I asked about that and heard the reasons they gave me, good or bad. I said, "In many of the States coal miners are unionized," and, as I say, I inquired of them what reasons they had, and they gave me their reasons pro and con, and they went into the reasons and conditions up in northern Colorado. They told me about their terms and rules and that they were impossible.

Chairman WALSH. That was when you first went there?

Mr. BOWERS. That was when I first went there.

Chairman WALSH. What date was that?

Mr. BOWERS. That was when I became officially connected with them; that was in October, 1907.

Chairman WALSH. When did they organize the northern fields?

Mr. BOWERS. I think there has been union mines in operation for a good many years. I don't know about that.

Chairman WALSH. You were in favor of the governor, after you got him rounded up in your way, were you in favor of his sending people out of the State—ordering people to the State line and not to return?

Mr. BOWERS. That was a matter of administration that I could not pass on.

Chairman WALSH. Did you ask him to?

Mr. BOWERS. I never saw him in my life but once.

Chairman WALSH. Did you send word through any of your subofficers that you thought that was a good thing?

Mr. BOWERS. I had absolutely nothing to do with it or with any officer of the State or of the city of Denver or with the governor or anybody connected with him. I had no conversation with them in connection with it or expressed an opinion except in a private way.

Chairman WALSH. How did you get the bankers rounded up?

Mr. BOWERS. Not by myself.

Chairman WALSH. By whom?

Mr. BOWERS. I think the bankers themselves—I think I recall now that some bankers—I know they came into Mr. Welborn's office and I was invited across the hall, and I think one or two of them stated that they had seen, or were going to see, the governor. I don't know the technical name they were called.

Chairman WALSH. Rounded up?

Mr. BOWERS. No; I don't mean that; but the technical name of this association, the bankers' association, or some such body, but they came to get information.

Chairman WALSH. They just rounded themselves up, as it were?

Mr. BOWERS. Yes, sir; they did. That was their own proposition, the same as the chamber of commerce. I don't think there was a man connected with the Colorado Fuel & Iron Co. that had anything to do with it directly.

Chairman WALSH. Who were your railroad friends that you referred to?

Mr. BOWERS. The men that we sell about 25,000 tons of rails to every month, and in that connection we sell rails from the Missouri River to the Pacific coast.

Chairman WALSH. The steel works of what company?

Mr. BOWERS. Of the Colorado Fuel & Iron Co. We intended to sell all of the rails from the Missouri River west, in all of those States, and we sold a great deal of coal to them.

Chairman WALSH. Who was the detective that you claim Mr. Hayes said, or heard say to some of the workers, "What are you hanging around Trinidad for; why don't you go out to the mines and give them hell?"

Mr. BOWERS. I expect I got it from the newspapers; I don't know.

Chairman WALSH. You said one of these men Hayes heard was one of the detectives? What detective was that?

Mr. BOWERS. I can not tell you; there were a large number employed by different operators.

Chairman WALSH. This was one of yours?

Mr. BOWERS. I should use that term detective.

Chairman WALSH. They had all joined together?

Mr. BOWERS. All in one group.

Chairman WALSH. You were a unit to fight the miners?

Mr. BOWERS. Not at all.

Chairman WALSH. To fight against what you call the dictation of the unions?

Mr. BOWERS. I would not assent to that for a second.

Chairman WALSH. They were united at least on the proposition that under no condition would they submit to what you called the dictation of the miners' union?

Mr. BOWERS. I don't know whether they were a unit or not, but I don't assent to that statement.

Chairman WALSH. Your letter of October 17 says that the coal operators were a unit and under no condition will they submit to dictation?

Mr. BOWERS. Well, they were practically a unit.

Chairman WALSH. And they would not accept the dictation of the miners' organization?

Mr. BOWERS. Not 12,000 by 1,200; no. Now, I want to repeat there, and I want it in the record, that if the matter had been reversed, and there were 12,000 union men, that I would have taken exactly the same position.

Chairman WALSH. In this individual case, there were some men, some interlopers, and some others that were trying to keep these independent workers from working?

Mr. BOWERS. I think so.

Chairman WALSH. But it did not apply to all unions, but simply this situation?

Mr. BOWERS. Yes, sir.

Chairman WALSH. Did you write this to Mr. Rockefeller under date of November 22, 1913:

"From this unwise action on the part of labor leaders to force fully 90 per cent of these mines out of the open shop and into the union contrary to their wishes. They have so overreached the bounds of reason and common decency as to attract attention everywhere, and this is what is needed to awaken the men who have the good of the country at heart, to oppose and finally defeat unions of every sort from becoming dictators, to both employers and employees, with the hope that they will eventually control the affairs of the State and Nation."

That was the way you felt about it?

Mr. BOWERS. Yes, sir.

Chairman WALSH. Fight them off?

Mr. BOWERS. No, sir; not at all. Now, I want to put it right in here, that I never raised my hand or voice or made any move in opposition to union labor.

Chairman WALSH. Not openly?

Mr. BOWERS. Not openly. I objected, and it was a serious proposition to me; there were 12,000 men not permitted to work by 1,200 others, and I say it was wrong and wicked and pernicious, and any union that will do that will hang themselves by their own rope. I say it was unwise, and I believe that a majority of the union men will say that it was unwise to do it. I never raised my voice against unions at all.

Chairman WALSH. And you thought on November 22, 1913, that it had come time for the people to awaken, and to oppose and defeat unions of every sort?

Mr. BOWERS. Yes, sir; against the will of the men themselves.

Chairman WALSH. What other unions did you refer to?

Mr. BOWERS. I don't care what unions they are, or what they belong to or who they are, they have perfect liberty, and I have never raised my voice against any man or labor organization in my life.

Chairman WALSH. Was it reported to you, for instance, in such a place as Sunrise, Wyo., that it was ascertained that if a man belonged to a union they would tell the man to get out of the camp and go down the canyon?

Mr. BOWERS. What was that, please?

Chairman WALSH. Did you ascertain from some of these officers, like Mr. Welborn, that in a place like Sunrise that if a man belonged to a union he was told to go down the canyon, to get out of the camp?



Mr. BOWERS. I don't believe one single whisper of that statement. It was for some other reason. Any man that would do that I would discharge him in a minute.

Chairman WALSH. You would advise Mr. Rockefeller as a director to take that action?

Mr. BOWERS. No, sir; I would take it myself; he had nothing to do with it.

Chairman WALSH. Could you have discharged Mr. Welborn?

Mr. BOWERS. I think I could have made it pretty hot for him.

Chairman WALSH. And could you have discharged anybody that was up at Sunrise that was engaged in such practice?

Mr. BOWERS. I would not do it individually. We had an executive board to pass upon those matters; I was the chairman of the board. I had my voice in it and nothing more. The executive board passed upon those matters, and I had the same voice as any other man to do with it as a member of the board, but I will state now that I did a great deal less than any other member of that committee to influence their action, I think.

Chairman WALSH. So then you could not have made it hot for them or discharged them?

Mr. BOWERS. I certainly would.

Chairman WALSH. But you had so little chance.

Mr. BOWERS. I would get chance enough.

Chairman WALSH. Notwithstanding your last statement?

Mr. BOWERS. Exactly.

Chairman WALSH. How did you get the newspapers out there; how do you round up the newspapers?

Mr. BOWERS. I scarcely know a newspaper man in the State of Colorado.

Chairman WALSH. But you stated on November 18:

"Another mighty power has been rounded up in behalf of the operators by the gathering together of 14 of the editors of the most important newspapers in Denver, Pueblo, Trinidad, Walsenburg, Colorado Springs, and other of the larger places in the State."

Who rounded them up? How did you get them together?

Mr. BOWERS. As far as I know they rounded themselves up in the common cause to discuss the situation and see what should be done. I have got confidence enough and I believe in the honesty of newspaper men, and so forth, to have common sense and act for the common good, the same as any other human beings have, and they naturally would come together in the State of Colorado and see what ought to be done in such a deplorable condition, the same as I might or you might, or any other citizen in their position might.

Chairman WALSH. The Colorado Fuel & Iron Co., then, did not round them up and did not bring them together? They just acted as independent American citizens, feeling as you and I?

Mr. BOWERS. So far as I know, that is exactly what they did. I did not know they were rounded up until they had rounded themselves up and passed resolutions—I did not know they were there.

Chairman WALSH. Mr. Northcutt was the editor of a newspaper?

Mr. BOWERS. I don't know.

Chairman WALSH. The owner of a newspaper?

Mr. BOWERS. I don't know.

Chairman WALSH. On November 22 you stated that the "officials representing the United Mine Workers of America were all hunting for a hole, however insignificant, through which they can crawl without disgracing themselves before the membership in their failure to make the coal miners' strike general and cause a complete tie-up." That was your opinion, was it?

Mr. BOWERS. Would you like to have me state where I got that opinion?

Chairman WALSH. Was it your opinion, first?

Mr. BOWERS. Yes, sir.

Chairman WALSH. And where did you gather it?

Mr. BOWERS. What is the date of that?

Chairman WALSH. November 22, 1913.

Mr. BOWERS. I will pass that, if you please.

Chairman WALSH. You will pass that?

Mr. BOWERS. Yes.

Chairman WALSH. You remember that letter? We have referred to that before. You say here that these men just rounded themselves up and that you had nothing to do with it. Perhaps you recall your letter of the 22d of December, after that, don't you, when you say, "We used every possible effort to

drive him, the governor, into action, but he was hand in glove with the labor leaders and is to-day; but the big men of affairs have helped the operators in whipping the agitators, including the governor?"

Mr. BOWERS. Yes.

Chairman WALSH. You used that language?

Mr. BOWERS. Yes, sir.

Chairman WALSH. And you did cooperate—big men of affairs did cooperate with your company in whipping the agitators, including the governor?

Mr. BOWERS. I am not speaking of myself individually; but I am speaking now broadly of all the coal operators.

Chairman WALSH. Well, that included your company, of course? It says "we."

Mr. BOWERS. Well, you understand that.

Chairman WALSH. Well, I understand it to have included your company?

Mr. BOWERS. Sure.

Chairman WALSH. Excuse me a moment, please; I may have finished. There may be a point or two come up later.

Mr. BOWERS. Yes.

Chairman WALSH. Commissioner Weinstock would like to ask you.

Commissioner WEINSTOCK. The question was put to you some time ago, Mr. Bowers, as to whether your company and the sheriff, Jeff Farr, were associated together. I did not quite understand your answer. Will you explain whether they were or were not associated together, and if they were associated together, how and when?

Mr. BOWERS. They were not associated with me, if I represent the company. I have no belief that after October 20, 1907, the Colorado Fuel & Iron Co. had any association, politically or otherwise, with Jeff Farr, excepting officially.

Commissioner WEINSTOCK. Had no association with Jeff Farr after 1907?

Mr. BOWERS. After October 20, 1907, the day of my election to that position.

Commissioner WEINSTOCK. That is eight years ago?

Mr. BOWERS. Eight years ago.

Commissioner WEINSTOCK. You say you had no association with him except officially. Will you be kind enough to explain in what way you were associated with him officially?

Mr. BOWERS. I don't know that we were. If we had any papers to serve, as sheriff of that county we were compelled, of course, to employ him.

Commissioner WEINSTOCK. Did you or any representatives of your company render any support or any aid in his political campaigns?

Mr. BOWERS. After that date?

Commissioner WEINSTOCK. Yes.

Mr. BOWERS. Not a penny.

Commissioner WEINSTOCK. Did you in any way—you made no contribution to his campaign?

Mr. BOWERS. Never a nickel been given by the Colorado Fuel & Iron Co. for political purposes since the 20th day of October, 1907; not one nickel.

Commissioner WEINSTOCK. Did you or your associates endeavor, directly or indirectly, to influence any of the employees to vote for him?

Mr. BOWERS. Not that I know of.

Commissioner WEINSTOCK. Did you regard him as a lick-spittle of your company?

Mr. BOWERS. Well, I would myself—if you will let me explain that—I wish you would let me do so right here—make a little explanation.

Commissioner WEINSTOCK. Surely.

Mr. BOWERS. Back years ago—now, I will clear this up, or throw a little bit of light on this Jeff Farr position for you. Back in the early days—I will say years ago, 10 or 12 or 15 or 16 or 18 years ago, they had an official of the company there whose idea of conducting coal camps and dealing with the foreign population there was that he must have saloons and a lot of them. He made the saloon question the very center of—an employment bureau, so to speak, and he built up saloons and mixed the company all up with them—built buildings and cooperated with Jeff Farr and others—or I won't say Jeff Farr, but with others—to open saloons, and he made the saloon business, as I say, the very center; and Jeff Farr, as I understand, became a partner, as stated in some of my letters which you may have read, in 16 saloons in the county. Well, they may not have been all in that county, but they are in that community; and he had a wholesale liquor store. Now, not only Jeff Farr, but the whole system was a saloon system in there for the one purpose to conduct the politics and



control those counties. Now, they were not all made up by the C. F. & I. Co., but they were all made up in harmony with this man now dead; I am sorry to have to refer to him, but it was a most pernicious and damnable precedent. Now, I say this on my own account. They built up a system, as Attorney General Farrar says, that is second only to Tammany Hall, and I say you can not budge it. They control every man that is put up for office there, and they do it to-day, and they did at the last election. I am not dodging a single thing on that point; what we did, or what I did. The only thing we saw that would down that kind of political management was to prohibit the saloons and clean the whole thing up, and I worked to that end with all my time and power, and every other man connected with the C. F. & I., to make Colorado a dry State and to clean up that combination of rotten men and the whole thing, saloons and all, by State prohibition.

Commissioner WEINSTOCK. Are we to understand then, Mr. Bowers, that you, as an individual, and as representing the company, of which you were the head, condemned that policy and that condition, and did all you could to uproot it?

Mr. BOWERS. Well, now, I have been accused of using pretty vigorous language in my letters. I should imagine the chairman over there was from across the water, and my ancestors were, too, which may account for it.

Chairman WALSH. I am from Missouri, locally. My ancestors——

Mr. BOWERS (interrupting). Well, I will try to show you.

Chairman WALSH. Do.

Mr. BOWERS. Those facts; and my notion of that sort of thing is so utterly contrary to that factor in political life that I thought it my duty, so I didn't hesitate at all. I turned out 150 men, out of my offices, and saw to it that they got out and worked for the going dry of the State, and turned out everybody I could; but the Colorado Fuel & Iron Co. didn't pay one nickel, though, for that business—not a nickel. Some of us chipped in from our own pockets and helped carry it along.

Commissioner WEINSTOCK. It has been brought out in the testimony that the operators, I think, collectively, issued bulletins at regular intervals that were widely distributed, seemingly for the purpose of influencing public opinion. Now, did the strikers, as far as you know, likewise issue bulletins——

Mr. BOWERS (interrupting). The leaders of the strike.

Commissioner WEINSTOCK (continuing). Also for the purpose of influencing public opinion?

Mr. BOWERS. They did; and they came out in the same type, in the same paper, and in the same style, everything. The bulletins sent out by the strike leaders had the same outside features, so that when one got a bulletin he did not know whether it was from the Colorado Fuel & Iron Co., or Mr. Lee, or sent out collectively, or came from the other side. Exactly the same; counterfeits, you might say.

Commissioner WEINSTOCK. This method, then, of endeavoring to influence public opinion through the medium of bulletins having wide circulation was not confined to one side?

Mr. BOWERS. Not at all.

Commissioner WEINSTOCK. But were employed by both sides?

Mr. BOWERS. By both sides.

Commissioner WEINSTOCK. Both sides believing it legitimate and a fair way of getting their side of the story before the public?

Mr. BOWERS. Yes, sir.

Commissioner WEINSTOCK. It has also been brought out in the testimony that the operators exercised every privilege and every influence at their command to get the governor of Colorado, and through him, the President of the United States, to think and see things their way, in order to influence public opinion in their favor.

Mr. BOWERS. Yes.

Commissioner WEINSTOCK. Did the strikers likewise endeavor to influence the governor, and through him public opinion, to see things their way?

Mr. BOWERS. My opinion is that they did, and very thoroughly.

Commissioner WEINSTOCK. Then that method was not confined to one side, but indulged in by both sides?

Mr. BOWERS. I think so.

Commissioner WEINSTOCK. You had no monopoly of it on your side?

Mr. BOWERS. I think not.

Commissioner WEINSTOCK. Are you aware of the fact, Mr. Bowers, that the testimony shows that ex-United States Senator Patterson, of Colorado, a man

who stands very high and who has a great deal of influence and many followers, and whose sympathies were with the strikers, used his great influence with the governor of Colorado in favor of the strikers' position?

Mr. BOWERS. His partner was representing or was attorney for the strikers, Mr. Hawkins, the partner—and had been for a great many years—of Senator Patterson.

Commissioner WEINSTOCK. You are familiar then with the phase of the testimony that Senator Patterson used his influence with the governor to have him act in favor of the strikers' position?

Mr. BOWERS. Yes.

Chairman WALSH. There are only a few minutes left, and Mr. Weinstock wants to go to a new line of questions, and will not be able to finish, and we will take a recess until 2 o'clock.

Mr. BOWERS. Or, half past 1, if you like.

Commissioner WEINSTOCK. Well, say, 2 o'clock.

Chairman WALSH. Yes; 2 o'clock; that is our regular time.

Mr. BOWERS. I should appreciate it very much getting away by 3 o'clock.

Commissioner WEINSTOCK. What time does your train leave?

Mr. BOWERS. I would like to get away at 3 or 4 o'clock.

Commissioner WEINSTOCK. Better make it 4 o'clock, and I will try to get through with you by that time.

(Thereupon, at 12.30 o'clock, Monday, May 24, 1915, a recess was taken until 2 o'clock p. m.)

AFTER RECESS—2 P. M.

#### TESTIMONY OF REV. EUGENE S. GADDIS—Recalled.

Chairman WALSH. I want to read in the record here two telegrams that were submitted to me by Mr. Rockefeller, being the same two telegrams that were submitted to you by Mr. Manly. One is dated May 21, 1915, from Denver, Colo., at 9.55 a. m. [Reading:]

STARR J. MURPHY,

*Care New Willard Hotel, Washington, D. C.:*

Press reports show charge made yesterday that Wilson, one of jurors in Lawson case and traveling salesman for National Biscuit Co., has exclusive selling arrangement with our stores for products of his company. Neither National Biscuit Co. nor any other company has exclusive selling privileges in our mining camps. During past year but 21 per cent of our purchases of goods of class manufactured by National Biscuit Co. were made from that concern.

J. F. WELBORN.

The other telegram being from Trinidad, Colo., 4.55 p. m.:

JOHN D. ROCKEFELLER, JR.,

*Care New Willard Hotel, Washington, D. C.:*

I read in newspapers statement made by Mr. Walsh using my name, all of which is absolutely false. Should Gaddis testify that I stated I had exclusive privileges in coal camps to sell National Biscuit Co.'s goods he will commit perjury. If he simply makes the statement to that effect, it is a villainous lie.

W. W. WILSON.

Those two telegrams were submitted to you by Mr. Manly at my request.

Dr. GADDIS. Yes, sir.

Chairman WALSH. Now, I want to give you an opportunity to make any comment upon the same that you may have to make.

Dr. GADDIS. As to the Mr. Welborn letter, first, we will take that up first. Mr. Welborn made the statement that the Colorado Fuel & Iron Co. have permitted no exclusive privileges in their camp stores—

Chairman WALSH. In the mining camps?

Dr. GADDIS. Yes, sir. I can not see what that has to do with the impression and knowledge of the conversation that was had with me that made that impression upon me, which I will give. I am personally of the opinion, from observation, I was of the impression, and I am still, that there were such exclusive privileges. There was a young man in Trinidad that was constantly going to the C. F. & I. camps taking orders for gentlemen's clothes. I never



saw any other firm represented in the camps. I knew this man very well. I was traveling in the camps all of the time, and I think if there had been such a representative I would have known it. Furthermore, on one occasion in Trinidad I overheard a conversation, which was not intended for me, which confirmed the impression I had that he had the exclusive privilege for selling clothes to the mines.

In regard to another part of Mr. Welborn's message, he says during the past year but 21 per cent of their goods were purchased—of goods of class manufactured by the National Biscuit Co.—from that concern. Now, I believe it is well known that they have a chain, I think, of 22 retail stores and two wholesale stores. The wholesale stores are located in Pueblo and Trinidad and do a very large business outside of the C. F. & I. camps. They can not hold their business without they carry other lines of goods manufactured by other companies making crackers and cakes. Mr. Welborn's low percentage here of 21 per cent, I infer, is computed on the basis of all the sales purchased from other companies through this wholesale department, because this wholesale department would very greatly pull down the percentage of goods put into the C. F. & I. camps by the National. In regard to further impressions that I had made upon me in going into the C. F. & I. camps, I have noticed that the National Biscuit Co. has their products on display in every store very conspicuously, and that helped to confirm me in what I said the other day. Taking Mr. Welborn's words on their face, 21 per cent of the business of 22 wholesale stores, in volume, for one year is simply enormous; would be simply enormous in its aggregate, and when I come to Mr. Wilson's telegram I will refer to that later in regard to how he had easy access there without having to urge the men to buy the goods. Now, Mr. Wilson, again, to just speak of him, this would naturally come under his message, but I have it under Mr. Welborn's. Mr. Wilson is known throughout that country as a company man. I meet him constantly on the trains. He is with the operators and is known as a man lining up with them in this struggle. He is a man that I met a number of times in different places, and from my impression of him I am very frank to say to you that I do not believe that he is a big enough man to have had this privilege that he held from the C. F. & I. and give an unbiased testimony in a case of life and death. There is another point, Mr. Chairman—

Chairman WALSH. He was a jurymen, as I understand it, in the Lawson case.

Dr. GADDIS. Did I say testimony?

Chairman WALSH. Yes, sir.

Dr. GADDIS. I should say his attitude on the jury.

Another thing about Mr. Wilson, he is a man of very considerable natural parts. I don't know who the foreman of that jury was, but if I knew the inside of it, I am perfectly satisfied to tell you and this commission, that he was very much active in his attitude, whatever attitude it was. There is a point that I think should not be overlooked in regard to this message of Mr. Wilson. My testimony to you, as the chairman and a representative of a Government commission, I made my testimony to the commission and to you as chairman, but Mr. Wilson comments on it and sends his message to John D. Rockefeller, jr. Now, in regard to Mr. Wilson, while the conversation referred to the other day took place—as I remember it now, and I am quite sure I am correct—on a Colorado Southern train about the middle of January, Mr. Wilson and myself were traveling from Pueblo to Trinidad. To just fix the case, we were traveling for several hours together and talking about a number of things. He mentioned purchasing a Navajo blanket at a very cheap price in Pueblo. The general manager of a very large coal company, or the general manager of the stores of a very large coal company, boarded the train at Pueblo. Mr. Wilson said he had purchased some of the wooden dummy guns from the strikers and was going to keep them as souvenirs, and he left them there, and this gentleman brought those wooden guns onto the train and sat down with us. We knew each other quite well, and the third party that I have referred to was one of the best friends I had in Colorado. I knew him quite well and was on quite intimate terms with him. In the course of the conversation—this was my impression and my recollection—that he said, "I go into the C. F. & I. camps to sell my goods, but this man will not let me into his camp," and he said it in tones and looks in referring to this manager as if he had the power right there to say that he would let him go in or would not. He was reticent and made no reply, and I inferred from that, and I think it was a natural deduction, that Mr. Wilson had the privilege of the C. F. & I. Co. for the sale

of goods, which this man would not grant him, and in that regard it was a special privilege.

Now, you will notice here, Mr. Chairman, that Mr. Wilson does not deny in his testimony—in his wire—that he has the exclusive privilege of the sale of goods in the C. F. & I. camps. We may read that between the lines, but when he calls a man a villainous liar, it seems to me he ought to state specifically what he means. He simply says he has not the privilege of the sale of goods in the coal camps. He does not say the C. F. & I. camps. As soon as I read this statement of Mr. Wilson—I was in Phoenix, Ariz., and read it in the morning press dispatches—and I said to myself, "W. W. Wilson is 'Bill' Wilson." The statement that I read in the paper was that W. W. Wilson, traveling salesman—it gave all the names of the jurors and gave W. W. Wilson, traveling salesman, not of the National Biscuit Co., but traveling salesman of Trinidad. Now, Trinidad is a small place of ten or twelve thousand people and I have been there long enough to get acquainted, and I never hear of any other W. W. Wilson in Trinidad. I said to myself, "That is Bill Wilson." And never having had occasion to think of the conversation before, I said that man told me on the train he had exclusive rights; and having my own impressions of the way things had been going on in Colorado, and are going on, and will go on until something stops them that has not yet been effectual, I said to myself, "That man represented the company, evidently, on this jury." I sat right down and wrote the attorney, Mr. Clark, of Trinidad, my impressions.

That is my statement, Mr. Chairman.

Commissioner WEINSTOCK. Yes. I would like to ask him a few questions.

Chairman WALSH. Commissioner Weinstock would like to ask you a few questions.

Commissioner WEINSTOCK. You will observe, Mr. Gaddis, that Mr. Welborn is very specific in his message. He says, "Press reports show the charge made yesterday that Wilson, one of the jurors in the Lawson case and traveling salesman for the National Biscuit Co., has exclusive selling arrangements with our stores." That is quite specific. That don't mean coal mines generally; that means stores of the Colorado Fuel & Iron Co.?

Dr. GADDIS. Yes; I understand that.

Commissioner WEINSTOCK (reading). "Neither the National Biscuit Co. nor any other company has exclusive selling privileges in our mining camps."

Dr. GADDIS. I think it is a mistake.

Commissioner WEINSTOCK (reading). "During the past year only 21 per cent of the purchases of goods of the class manufactured by the National Biscuit Co. were made from that concern."

Mr. Wilson says: "I read in the newspapers a statement made by Mr. Walsh, using my name, all of which is absolutely false. Should Gaddis testify that I stated that I had exclusive privilege in the coal camps to sell National Biscuit Co. goods he will commit perjury."

He makes it still broader; from his statement it is clear that he not only has no exclusive privilege in the stores of the Colorado Fuel & Iron Co., but he has no exclusive privilege in any of the coal camps.

Now, speaking for myself, Mr. Gaddis, I have never heard a whisper against the truthfulness or the integrity of either Mr. Wilson or Mr. Welborn. Now, would you have this commission then accept your impressions pure and simple with not an iota of evidence of what would be called real evidence behind them? Would you have us accept your impressions as facts against the positive denial and clear statement of these two gentlemen?

Dr. GADDIS. That is for the commission to decide; not me.

Commissioner WEINSTOCK. I simply ask you whether you expect us to accept your impressions as against their positive statements?

Dr. GADDIS. I do not think I am called upon to say. It would be ridiculously presumptuous for me to say what I expect this commission to do.

Commissioner WEINSTOCK. Then what is the need for you to come here and explain unless you expect us to accept your impression?

Dr. GADDIS. I am giving you my positive impressions of facts as they came—as I recollect them, in this record.

Commissioner WEINSTOCK. Then they are just impressions?

Dr. GADDIS. They are my knowledge and recollection of the transactions and incidents that I have recited here twice on this stand, to the best of my knowledge.

Commissioner WEINSTOCK. And that is all they are?



Dr. GADDIS. And that is all they are. I don't see how they could be anything else, if I am an honest man.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. That is, you gave your best recollection of the facts, and this man, by wire, undertook to this commission to call you a liar? This was submitted to you, and you came back with this further comment? You were asked to come and you asked me to read this in the record?

Dr. GADDIS. I did. I asked you at the close of the morning session—I did not know it was your intention to bring it up. I knew you had those telegrams. I said I thought they ought to be read into the record, if you remember that, Mr. Walsh; I wanted them presented.

Chairman WALSH. That is all.

Mr. Bowers.

#### TESTIMONY OF MR. L. M. BOWERS—Recalled.

Chairman WALSH. Mr. Bowers, when we adjourned, Mr. Commissioner Weinstock was questioning you, and he may now finish.

Commissioner WEINSTOCK. The last several questions, Mr. Bowers, that were put to you were in relation to Sheriff Farr, if you remember. Let's make sure that we understand your statement in connection with Sheriff Farr. The impression that your answers left on my mind was this, that up to 1907 the Colorado Fuel & Iron Co., in common with other coal companies in Colorado, worked jointly with Sheriff Farr with a view to controlling the political situation in that part of Colorado?

Mr. BOWERS. Yes.

Commissioner WEINSTOCK. They did it openly and aboveboard and it was notorious?

Mr. BOWERS. Yes, sir.

Commissioner WEINSTOCK. And they did rob the voters of their political freedom—

Mr. BOWERS. I could not use that expression "rob;" but my impression is that they were political wirepullers and unscrupulous politicians and did through the influence of the saloons control the politics.

Commissioner WEINSTOCK. When you came into power, as I understood, you heartily disapproved of and condemned that policy?

Mr. BOWERS. I did.

Commissioner WEINSTOCK. And did all in your power to wipe it out?

Mr. BOWERS. Yes, sir.

Commissioner WEINSTOCK. And through the influence of the saloons, you were unable to wipe it out, but you did minimize it?

Mr. BOWERS. Yes; some.

Commissioner WEINSTOCK. And your impression is that the only way it can ever be wiped out is through wiping out the saloons?

Mr. BOWERS. State legislation working effectively with all the machinery of the Government there can wipe it out; that is the only thing.

Commissioner WEINSTOCK. And as an evidence of your good faith and the good faith of your company in earnestly endeavoring to wipe out this political bossism, you did all that was possible for you to do as a citizen and a representative of a large industry to have prohibition carry in Colorado in order that the saloon might be wiped out, and that with it the political boss might be wiped out?

Mr. BOWERS. I did.

Commissioner WEINSTOCK. And were those efforts successful?

Mr. BOWERS. Yes, sir.

Commissioner WEINSTOCK. And prohibition carried in Colorado?

Mr. BOWERS. Yes, sir.

Commissioner WEINSTOCK. And as soon as it goes into force, is it your opinion that political bossism will have reached an end in Colorado, so far as the saloon helps to maintain political bossism?

Mr. BOWERS. I think the citizens of Colorado are an exceptional group of people; a great many people go there on account of their health, and so forth, and there is an exceptional condition from that class. I think public sentiment, the vote and everything, will effectually wipe out the saloons, as can be done, I know. And with the saloon wiped out, Jeff Farr and all that clique will be cleaned up.

Commissioner WEINSTOCK. There was some time spent this morning also, Mr. Bowers, in discussing such terms as giving the officeholders—the officials—a

spanking, and then giving them candy. Now, I want to make sure I got your thought and spirit. Are we to understand by the expression that the giving of officeholders a spanking when they did not do as you wanted them to do, and giving them candy when they did do as you wanted them to do, meant that you would justify resorting to illegal or immoral or improper and unholy means to influence and control public officials when they did not want to do your bidding, and to compensate and reward them when they did do unholy, unrighteous, and illegal things, or are we to understand from what you said that you believe when public officials were derelict in their duties or did not perform their duties that you felt warranted to bring to bear on them the strongest possible public opinion in order that you might get them to perform their duties, if that influence should be needed?

Mr. BOWERS. Precisely.

Commissioner WEINSTOCK. That is the thought you intended to convey?

Mr. BOWERS. Precisely that.

Commissioner WEINSTOCK. The report published—the report of the military board, consisting of Edward J. Boughton, major Second Infantry, and judge advocate; W. C. Danks, captain, First Infantry; and Philip van Cise, captain, First Infantry, and I understand this commission was appointed by the governor; was it the governor or Gen. Chase?

Chairman WALSH. Gen. Chase appointed that commission.

Commissioner WEINSTOCK. Appointed by Gen. Chase, brigadier general, commanding the military district of Colorado, to investigate into the Ludlow troubles. This report was quoted this morning, and as I remember the quotation it was that part of it which reads as follows:

“During the rescuing and afterwards the tent colony was invaded by the soldiers and mine guards for quite a different purpose. By this time the uniformed guardsmen had been joined by large numbers of men in civilian attire, part of whom were from Troop A and part of them mine guards, all unknown to the uniformed soldiers and their officers and all unused and unamenable to discipline.

“By this time, the time of the burning of the tents, the nondescript number of men had passed out of their officers’ control, had ceased to be any army, and had become a mob. Doubtless all were seeing red on both sides of the conflict.

“This may account for the insane shooting by the strikers during the rescue of their women and children, and it may also account for what happened in the tents.

“We find that the tents were not all of them destroyed by accidental fire. Men and soldiers swarmed into the colony and deliberately assisted the conflagration by spreading the fire from tent to tent.

“Beyond a doubt, it was seen to intentionally that the fire should destroy the whole of the colony. This, too, was accompanied by the usual loot.

“Men and soldiers seized and took from the tents whatever appealed to their fancy of the moment. In this way clothes, bedding, articles of jewelry, bicycles, tools, and utensils were taken from the tents and conveyed away.

“So deliberately was this burning and looting that we find that cans of oil found in the tents were poured upon them and the tents lit with matches.”

This was quoted, I assume, because this report is regarded as authentic and reliable.

Chairman Walsh calls my attention to the fact that what you did quote is the paragraph I am now about to read:

“A troop of National Guards was enlisted about the middle of April among the superintendents and foremen, the clerical force, physicians, storekeepers, mine guards, and other residents of the coal camps.”

“This unit of the National Guard was designated ‘Troop A,’ but so recently was it recruited that at the time of the Battle of Ludlow it had not yet selected its officers nor were they supplied with uniforms, arms, or ammunition.”

I take it that this quotation was offered because the report is regarded as a reliable and dependable and fair report. Now, were you on the ground at that time, Mr. Bowers?

Mr. BOWERS. I was in Denver. What date was that?

Commissioner WEINSTOCK. I am not speaking about the date of the report, but the date the trouble took place; were you in Colorado at that time?

Mr. BOWERS. Yes.

Commissioner WEINSTOCK. And were you in touch with all that happened, more or less?

Mr. BOWERS. Somewhat.



Commissioner WEINSTOCK. What comments have you to make on that part of the report? Have you any facts at your command from which you could either dispute what appears in this report or corroborate it; the first part of the report is [reading]:

"The fire in the tent colony was accidental; that is to say, it was due either to an overturned stove, an explosion of some sort, or by the concentrated fire directed at one time against some of the tents. The fire began in the corner nearest the crossroads and afterwards it was deliberately spread by the combatants. During the fire the soldiers, upon learning that women and children were still in the colony, went through the tents, calling upon all the persons in the colony to come forth, and with difficulty rescuing men, women, and children to the number of some 25 or 30, including one William Snyder and his family. Then the tents were fired."

Have you any comment to make on that?

Mr. BOWERS. None at all.

Commissioner WEINSTOCK. Here is a previous paragraph, which I overlooked; this report goes on to say [reading]:

"The immediate cause of the battle was an attack upon the soldiers by the Greek inhabitants of the tent colony who misinterpreted a movement of troops on a neighboring hill. Thereupon the Greeks fled out of the colony to a railroad cut, and soon afterwards fired the first shots of the battle against the soldiers."

Have you any comment to make on that?

Mr. BOWERS. I think that is the impression; there are so many witnesses on both sides, with conflicting testimony on both sides, that it would be a very great task to get at the exact facts; one side will have one idea, and the other side another.

Commissioner WEINSTOCK. At a later period this occurs in the report [reading]:

"After the fire started it was several minutes before the men on Water Tank Hill were directed to return to it. The enlisted men in this position we find still resentful against their officers for withholding their fire so long."

Have you any comment to make on that?

Mr. BOWERS. No.

Commissioner WEINSTOCK. Later it says [reading]:

"Just before dark this was accomplished, and Martin was discovered dead and mutilated."

Martin was a member of the National Guard.

"He had been shot through the mouth. Powder stains evidencing that the gun was held against his lips. His head had been caved in and his brains had exuded to the ground. His arms had been broken. In such a way does the savage blood lust of this southern European peasantry find expression.

"As we prepare this report, Canor Lester is deliberately slain at Walsenburg while attending the wounded under the protection of the Red Cross of Geneva, recognized as inviolable by civilized men the world over. It is shocking to think of our Colorado youth defending their State and exposed to practices of savagery unheard of, save in the half-believed tales of the Sicilian Camorra."

Have you any comment to make on that?

Mr. BOWERS. No.

Commissioner WEINSTOCK. Later it says [reading]:

"It was then that Maj. Hamrock tested his range with the machine guns on Water Tank Hill and sent them directly into the first tents of the colony itself; at the same time the strikers' fire drew a return from all combatants into the same tent. It was this concentrated fire upon the nearest tents at the southwest corner of the colony that set them on fire.

"It could not be supposed that any women, children, or other noncombatants remained in the colony itself. The women and children had been seen departing early in the morning, and it was impossible to believe that the strikers would draw the fire of their opponents from all sides into the colony if any women and children remained therein.

"Shortly after the fire started the detonation of some high explosive, like some giant powder, or dynamite, was both heard and seen. From one of its tents a shower of its contents could be seen rising high in the air, emitting a blaze of fire.

"As one tent caught after another, several other explosions occurred. During this time some of the men, having nearly reached the tent colony, heard the

screams of the women, and called to men, whom they saw firing between the tents, to get their women out. The only words were 'You go to hell,' spoken with a foreign accent and accompanied by a rain of shot. The men in the colony being driven back, and the presence of the women being thus known, Capt. Carson, Lieut. Linderfelt, other officers and men made a dash in among the burning tents for the purpose of rescuing the women and children.

"At first they took several women from the tents—some of which were on fire and some not—then they discovered some subterranean pits beneath many of the tents and that some of them were stored with human occupants. The rescue work was most difficult as the women refused to accompany the soldiers and even fought against being taken away.

"They said afterwards that they believed the soldiers would kill them. They had to be dragged to places of safety. When the pits were discovered the difficulty of getting out the women and children was increased.

"Lieut. Linderfelt took a woman from one tent who could not speak English, but who made him understand that he must return. She went back with him and indicated one of these holes in the ground, from which the lieutenant took two little children just in the nick of time. He stalked from the colony with those children in his arms.

"Capt. Carson relates that when he was in an apparently open-floored tent he heard the crying or whining of something living beneath. He had to chop away the floor, which was nailed down upon these people, in order to get them out.

"These holes were so constructed as to conceal their presence, and the openings to them were usually hidden by the bed or some article of furniture being placed above them. During the whole time that this rescue work was going forward the colony was under fire from the arroyo, so that not only did the officers and men have to contend with the fire and with the reluctance of the deluded people they were rescuing, but they were taking the greatest chances of destruction by making targets of themselves in the light of the burning tents.

"We find that the work of rescuing these women and children, to the number of some 25 or 30, by Lieut. Linderfelt, Capt. Carson, and the squads at their command, was under all circumstances truly heroic, and must stand out boldly in contradistinction to the abandonment of the helpless women and children by their own people and the subsequent efforts to kill their rescuers, regardless of the safety of the rescued."

Have you any comment to make on that?

MR. BOWERS. I don't just gather, Mr. Weinstock, what you mean by "making comment"; comment on the truthfulness of it?

Chairman WALSH. He just wants that in the record.

MR. BOWERS. Truthfulness of the statements or what?

Commissioner WEINSTOCK. Well, you may want to add to some of the statements that are made here.

MR. BOWERS. No, sir; I don't want to add anything to the Ludlow matter. You have evidence on both sides by the volume and volume. It was a sickening, infernal piece of work. I have no comment to make except I wish I could forget everything about it and see that justice was done to everybody, whoever it was.

Commissioner WEINSTOCK. Here is the final statement of the committee [reading]:

"We do not presume even to hint where the ultimate responsibility lies in the present strike. It may be that the coal operators or the union are wholly to blame for the conditions that have made such results possible. It may be that both sides are partly at fault. The conditions having been brought about and being actually existent, whatever the cause, we feel that for treason and rebellion against organized society with the horrible consequences of anarchy that followed, certain union leaders must take the responsibility before man and God."

"Respectfully submitted.

"EDWARD J. BOUGHTON,

*"Major Second Infantry and Judge Advocate.*

"W. C. DANKS,

*"Captain First Infantry.*

"PHILIP VAN CISE,

*"Captain First Infantry."*



Have you any comment that you care to make on that, Mr. Bowers?

Mr. BOWERS. Only early in this inquiry a question by the chairman that in my judgment that they would have escaped anything of that kind, nothing of that kind would have happened if we had had a governor and associates there, whoever was to blame for whatever did happen, if they would have seen they were protected. That is all the comment I have to make. It was war with the hatred and bitterness and all the vast complications that enter into it when you have 20 or 30 nationalities together and many can not speak English and don't understand the directions and they get to be a mob, and in that condition they are almost irresponsible, almost insane, when they get to fighting. I don't know what I would have done or where to have shot. I think I would have run if I had been there.

Commissioner WEINSTOCK. Were you present, Mr. Bowers, when I questioned Mr. Rockefeller Saturday afternoon?

Mr. BOWERS. Part of the afternoon.

Commissioner WEINSTOCK. And you heard when I questioned him?

Mr. BOWERS. Yes, sir.

Commissioner WEINSTOCK. Did you hear my preliminary statement to Mr. Rockefeller?

Mr. BOWERS. I was in here about a half an hour.

Commissioner WEINSTOCK. You remember my reading a statement to him and inviting answer to certain specific charges?

Mr. BOWERS. Yes, sir.

Commissioner WEINSTOCK. Are you familiar with that statement and the charges?

Mr. BOWERS. If it was repeated to me.

Commissioner WEINSTOCK. It is brief, and I might read it to you and refresh your memory [reading]:

"Now, this is my statement, and before proceeding with my questions I want briefly to review the situation as I see it. This commission sat between 25 and 30 days in actual hearing, including the time spent in Denver, New York, and Washington, D. C., investigating the Colorado coal strikes and endeavoring to find the underlying causes and to locate the responsibility for the great loss of life and property in that Commonwealth. The cost to the Nation for such Colorado investigations through this commission, I should say, has been much over \$10,000. There has accumulated a great mass of testimony, much of it more or less unavoidably nonessential to the vital point at issue.

"What I have been able to get out of it all is that the strikers and their sympathizers make these three specific charges:

"(a) That at no time after the strike could they get a hearing at the hands of the operators.

"(b) That the civil and judicial machinery for obtaining such justice as the law affords was in the hands of the operators and not available to the strikers.

"(c) That the operators, through their agents, were the first to resort to violence and that all the violence which followed was defensive on the part of the strikers and not offensive.

"If these three charges have been established, then it must be plain that the responsibility for the unfortunate happenings in Colorado must clearly be laid at the door of the operators and the strikers are entitled to all support and sympathy of the American people.

"Despite the volumes of testimony that have accumulated in the hands of the commission in this case, much of it is so befogged and so beclouded, the contradictions are so pronounced, there is so much evidence of bitterness and ill will on both sides of the controversy, that the impartial fair-minded investigator, such as I hope I am, finds himself in a mental maze and more or less at sea.

"Speaking for myself, I have entered this Colorado investigation without any preconceived judgment or prejudice. Not any of the participants on either side were known to me. I, for one, have absolutely no object other than to find the truth, whatever the truth may be, and, speaking for this commission as a whole, it is neither for nor against any witness. It is for the facts, whatever the facts may be.

"It is in this spirit, and this spirit alone then, that, in order to crystallize the issues and reduce them to their prime essentials I ask you specifically to make whatever answer you are able to make to the three foregoing charges.

"If you can show that an opportunity was afforded the strikers at some stage of the dispute to get a hearing in the presence of the representatives of

the operators; if you can show that the strikers had not exhausted their constitutional rights to get justice before resorting to violence; if you can show that the strikers, and not the operators or the authorities, were the first to commit acts of violence in defiance of law, then these three charges made against the operators must, to my mind, fall to the ground and the burden of responsibility for all the consequential casualties and loss of property must then, as I see it, be placed at the door of the strikers."

Now, being on the ground, Mr. Bowers, and fully familiar with the conditions, are you in a position to answer those three specific charges?

Mr. BOWERS. Will you please read the first one?

Commissioner WEINSTOCK. First, "That at no time after the strike could they get a hearing at the hands of the operators."

Mr. BOWERS. That is not correct.

Commissioner WEINSTOCK. What are the facts?

Mr. BOWERS. Secretary of Labor Wilson, when he was in Denver, had, I think, several interviews with the operators, both sides, and an agreement was reached, largely, I think, through the efforts of Secretary Wilson, to have a conference with three operators and three of the striking miners. I don't know whether they were union men or not, but that conference was held. It began, as I recall, in the forenoon—

Commissioner WEINSTOCK. Were you present?

Mr. BOWERS. No. Just the six, with the governor and Secretary of Labor Wilson. It was held, and, I think, closed after midnight the next morning. The agreement was a proposition made, I take it, and it was the governor's proposition, approved by Secretary Wilson, which was agreed to by the representatives of the operators. The striking miners declined to sign the agreement. That was an opportunity to reach a solution, I will state, as I understand it, that it had been stated to the operators' committee by Secretary Wilson and the governor that if all those points were conceded by the operators, excepting the recognition of the union, it would be agreed to by all concerned, and the disturbance ended. That is as I understand it.

Commissioner WEINSTOCK. Your contention is that it is not true that after the strike the strikers could not get a hearing at the hands of the operators?

Mr. BOWERS. It is not.

Commissioner WEINSTOCK. And the second is that the civil and judicial machinery for obtaining such justice as the law affords was in the hands of the operators and not available to the strikers?

Mr. BOWERS. I would hate to think that for a minute, in the great State of Colorado. I sincerely doubt the accuracy of it. Certain petty officers, and some of the large ones, might have been so lopsided and biased as not to give fair hearing, but I would not want to assent to that statement. I think there were courts open above suspicion, with the highest character of men as judges, in many of the counties. I certainly would not want to charge a man like Attorney General Farrar—

Commissioner WEINSTOCK. He was the attorney general?

Mr. BOWERS. Yes, sir. Either that he would refuse to listen to the appeals of any citizen of Colorado, miners or operators or anybody. I would not want to think that.

Commissioner WEINSTOCK. The third charge is that the operators, through their agents, were the first to resort to violence, and that all the violence which followed was defensive on the part of the strikers and not offensive.

Mr. BOWERS. The first violence that was committed was on, I think, September 29, when Marshal Lee was shot from his horse, in an attempt to arrest three or four Greeks, at a bridge that they were trying to destroy. His gun was strapped to his horse; he had no arms, as I understand it, in his hands, and expected that they would yield. He was shot, as I understand it, not by the men that he was trying to arrest, but the first shot was fired from behind a water tank or something of this sort. That was the first violence that occurred during the strike.

Commissioner WEINSTOCK. Now, were you present the other day, Mr. Bowers, when the Rev. Mr. Gaddis testified?

Mr. BOWERS. Yes, sir.

Commissioner WEINSTOCK. Then, you will remember that he made certain clean-cut, specific charges against the Colorado Fuel & Iron Co.

Mr. BOWERS. Yes, sir.

Commissioner WEINSTOCK. And among them he made the specific charge, which I will read to you from the record, that the feeling on the part of the



company was so bitter and so intense and so unfair and so unjust toward the strikers that they even carried it to the degree of dismissing the school-teachers, because they simply sympathized with the strikers. Let me read you his statement as he gave it, and invite your answer. [Reading:]

"A principal was not reappointed last fall on the ground that he was a red neck. He took his appeal to Mr. Bowers from Mr. Welborn.

"Chairman WALSH. You had better explain what a red neck is.

"Dr. GADDIS. A red neck is a phrase in Colorado for a striker or strike sympathizer.

"He asked the assistant general manager of the fuel department for his reason, and he was supported in his position by the manager of the fuel department, or superintendent, or local superintendent, and the county superintendent of schools, what they had against the teacher. Mr. Welborn and I kept in connection with him in the matter, and demanded proof or good cause as to why the man should be removed. When I asked the assistant general manager of the fuel department for his proof, he replied to me, 'Mr. So-and-so is a g. d. red neck; when I dismiss a man working for me that settles it; I have nothing to say. If the Denver office wishes to make the appointment of school-teacher, I have nothing to say.' Later the man, who had appealed to both Bowers and Welborn, was taken care of in another camp; we helped to place him. I was instrumental in having him located at a near-by camp, at a little less salary, but he was taken care of."

That is one case; there are several that are cited here, but this is typical of the others. Now, is it a fact that your attitude, and the attitude of your company, was such that men were dismissed there because they were purely unionists, and purely for that reason, or that they were dismissed as school-teachers simply because they sympathized with strikers?

Mr. BOWERS. If you will allow me, give me a little time—Mr. Gaddis, as he has testified here, was employed by Dr. Morrill; the second man in the sociological department. The sociological department is headed by Dr. Corwin, a very noted man in the United States as a surgeon. Dr. Morrill is now the superintendent of a sanitarium at Colorado Springs, a man of extraordinary ability and fully equipped for such a position. Dr. Morrill selected Mr. Gaddis as his assistant. At first only as a man to take charge of the Sunday schools and religious department. He was afterwards invited to join Dr. Corwin and Dr. Morrill in the sociological work, traveling about. The first interview that I had with Mr. Gaddis—he was as ardent in his expression, he sympathized with the strikers. He was also as ardent in his suppression and removal of every Roman Catholic superintendent that we had in our employ. It was the first time that I ever heard a superintendent called a super. red neck, and that was by Mr. Gaddis in my office. I said, "What do you mean by a red neck super.?" and he said, "I mean a red neck superintendent"; in other words, an Irishman, who were so largely employed in our camps. I said to Mr. Gaddis, "I will not permit anything of that kind. If it is your purpose to stir up religion, and bring in Catholicism, of which our people are about two-thirds or three-fourths, I won't have it for one minute," and I took it up with Mr. Morrill, and I said, "If that man Gaddis proceeds in that manner, he will demand that we remove every Catholic school-teacher." Let me explain, that there were men grown up from the tippie to superintendent of the mines. They have their families and children, and are sending their daughters away to be educated—I will not go into that. Now, it was so unjust and un-Christian and so unfair and so cussed, to use that word, that it stirred me up, and I demanded that he be removed. He took it all in, and elaborated, and said he didn't mean it just that way, and so forth.

I want to read to you a document, a letter that I wrote to Mr. Gaddis, besides these talks that I had with him. If you were where you could, you could bring those superintendents—a great many of them are Irish, and have grown up there, and I told him it was so unjust, where a man was getting two or three thousand dollars a year, to remove him and throw him out; that it was unjust to the girls in the camp who had been raised at home and had been educated and were teaching school there. You know how I put it to him, and he qualified, and this and that and the other. It stirred my wrath so; I don't like to get stirred up like that. Now, here is something I wish to read. On January 9, 1914, I wrote this letter in reply to a letter from Mr. Gaddis, which I have not got, and, by the way, in my attempt to get the correspondence of Mr. Gaddis—almost all of his letters to me have been stolen out of my files, and all I have is copies of my letters to him.

I don't know where they are, but they are not there. They were there when I left Denver, but they can not be found now. This is a reply to a letter from Mr. Gaddis on the subject. I wrote Mr. Gaddis as follows [reading]:

"Your letters of January 21 and 29 are at hand. You evidently are not familiar with one very important fact, namely, that the schools in all our mining camps are State schools."

Commissioner WEINSTOCK. Who is that letter from, and to whom?

Mr. BOWERS. A telegram from President Welborn to me since I have been here.

Chairman WALSH. Are you reading now from a telegram that was sent you by Mr. Welborn?

Mr. BOWERS. From my letter that he could not get to me.

Chairman WALSH. So he wired you, and you are quoting from that?

Mr. BOWERS. It is a telegraphic copy taken from my reply to Mr. Gaddis.

Commissioner WEINSTOCK. Very well, I understand it now.

Mr. BOWERS (continuing reading): "You evidently are not familiar with one very important fact, namely, that the schools in all of our mining camps are State schools, under the direct supervision and dictation of the State authorities."

I am only trying to show the facts of Mr. Gaddis's prejudices against the Catholic teachers, and I am giving you the facts. [Continues reading:]

"And we have no more right to dictate who shall be employed as teachers in our coal camps than we have to dictate as to the teachers of Denver or any other town. While men in our employ at our various camps usually are selected as commissioners they have to be elected and are responsible to the State for all of their acts."

There may be 10 or 15 such boards elected at our several camps.

Commissioner WEINSTOCK. By commissioners, you mean trustees of the public schools?

Mr. BOWERS. They are elected, a storekeeper, or doctor, or anybody, according to the law of the State. They have to be elected and are responsible to the State for all their acts. [Continues reading:]

"Therefore if we should undertake to be over dictatorial and exacting, the State would be justified in ordering us to keep our hands off. While we would be glad to employ teachers whose ideas are in harmony with yours, we have no legal right whatever to dictate or interfere with the commissioners in the selection of teachers."

He wanted those teachers, every girl, about 125 or 130 that we employed, prohibited from dancing in the camps. He wanted no one employed there except a Protestant teacher, that could teach in the Sunday schools, with two-thirds or three-fourths Catholics in our camps.

"Whose ideals are in harmony with yours, but we have no legal right whatever to dictate or interfere with the commissioner in the selection of teachers. Will say that if you should stir up this matter in your territory in the interest of Protestantism"—and I want to say that some of our Catholic teachers were some of the best Sunday school teachers we had in the camps.

Commissioner WEINSTOCK. If it is allowable, may I ask you if you are a Catholic?

Mr. BOWERS. No, sir; I am a Presbyterian. But I never threw a stone at a Catholic or members of any other denomination, it is not my right or privilege, and I protest against it with all the vigor I can. That is my stand on that. I never did it. The first 15 or 20 men I employed were Irishmen, and Catholics, all but one, and I have no better friends on earth than they. [Reads:]

"In your territory in the interest of Protestantism in undertaking to enforce an observance of the social standard you have set up you would do an incalculable amount of mischief. It is the opinion of our official board that ministers and religious workers either directly employed by us or permitted in our camps should confine themselves solely to the presentation of the gospel, as we believe that is the work which is needed and will include all moral and social reforms. The only thing we had in mind in asking Dr. Morritt when he was at Pueblo to keep an eye on the schools and to advise with the several commissioners in the various camps was the intention of giving the commissioners the benefit of his experience and to suggest the class of teachers to employ, and that is the only thing we expect Dr. Corwin, Mr. Weitzel, and yourself to do. It is impossible to vest you with any authority whatever in connection with the schools in our camps."



The copies of letters from Mr. Gaddis to Mr. Bowers referred to, as well as correspondence with other officers of company, are missing from Gaddis's records in the Denver office.

I want to present that for a few minutes, and I want to say that in my one conversation that I protested against that. To do justice to Mr. Gaddis, I will add that in December, when I was in Denver the last time officially, Mr. Gaddis came to see me and told me that things were moving along splendidly and he was very much pleased with the progress all through the camps, and then he hinted or suggested that his salary be raised \$300 and he would remain, and be happy in his work. So much for that.

In January or February he was discharged for these very things I have read here, as I understand it.

Commissioner O'CONNELL. Not for asking an increase in wages?

Mr. BOWERS. No; I did not increase it. I wanted to get rid of him, so far as I was concerned. I wanted him out of it, so far as I was concerned. I don't want any such mischief-maker, I don't care whether he is a minister or anybody else. I won't have him.

Now, just a word or two I would like to say further that in this it speaks of a number of books in foreign languages in the library, quite a number of them connected with the sociological department. In answer to my inquiry Mr. Welborn stated the reason Gaddis gave for taking these books out was that they treated largely of Catholicism and that he did not believe in circulating such teachings. Now, there you have it.

Commissioner WEINSTOCK. Are we to understand, then, from all that, Mr. Bowers, that Mr. Gaddis used his influence with you to take away the livelihood of men and women simply because of their faith?

Mr. BOWERS. I certainly do; and he said they were—well, I won't say.

Chairman WALSH. Just go ahead and finish.

Mr. BOWERS. No.

Chairman WALSH. Just finish your statement.

Mr. BOWERS. No; I paid my compliment to Mr. Gaddis.

Chairman WALSH. No, no; go ahead and finish.

Mr. BOWERS. He accused these men of promoting the saloons. I think there was one girl that he referred to here that he protested against her employment. Now, I want to say that this is not positive, but I think it is correct, because he brought up exactly the same thing with me. She was a young daughter who had been in the schools—I think the State schools—had graduated, and wanted a position in the schools, and her father was an Irishman and a Roman Catholic. Now, he protested against that girl being employed, and stated here, but did not give the reasons; and that girl had been educated by her father and mother and brought into their own camp and their own home, and he was dead opposed in regard to it, and he did not want that young girl, and she had gone into the schools to fit herself, more without compensation than—

Commissioner WEINSTOCK (interrupting). Then, in brief, the situation is as follows: You deny the charge made by Mr. Gaddis that you dismissed men because they were unionists or because they sympathized with the strikers, and you made the counter charge that Mr. Gaddis did at various times use whatever influence he had with you and others to have men and women dismissed from your service because they belonged to a particular religious faith?

Mr. BOWERS. That was his action; and at this late date, January 14, this letter, with Mr. Welborn's statement, which I read, proves it.

Commissioner WEINSTOCK. That is all, Mr. Chairman.

Chairman WALSH. What have you to say about Mr. Gaddis's charge? This is what particularly stands out in my mind about Mr. Gaddis's charge: That you allowed the cesspools to run over until the people got typhoid fever and died.

Mr. BOWERS. Now, Mr. Chairman, every full-grown man knows that up in that mountainous country any sewerage system is oftentimes almost physically impossible to have. I have lived in the country and have had cesspools to run over. I have no doubt but what half the people here, if they have lived in the country, have had cesspools run over. We don't know the cause of this one here. Maybe a flood came down the mountains and washed it out and it oozed over.

Chairman WALSH. He said he was calling the attention of the physician to it, and that the physician—or one of the heads of the departments—and he said that if the people wanted to do that they could do it themselves. Now, as I understand, your company owned the street and the water supply and

charged so much a barrel to the people for their water where it was for drinking purposes.

Mr. BOWERS. At one place only, I think.

Chairman WALSH. Well, at one place; and other places where they control the water supply and controlled everything in the place.

Mr. BOWERS. Yes.

Chairman WALSH. Now, your answer to that charge is—that you allowed the cesspools to run over and people to sicken and die—is that there were no means of cleaning it, or that the cesspools running over did not make persons ill or—

Mr. BOWERS (interrupting). I never heard of it before and should want to know the conditions.

Chairman WALSH. You have no comments to make?

Mr. BOWERS. I have comments to make upon it that it is such a common thing in country towns where there is no sewerage at all and common on farms and places where there is no sewerage that cesspools run over.

Chairman WALSH. He also mentioned the fact that the houses were allowed to drop into such a stage of decay, although they were required to pay the same rent for it, that a woman who is about to be confined with child has to be moved to keep the water from running upon her person while she was being delivered.

Mr. BOWERS. That may be true; I don't know.

Chairman WALSH. Did you have buildings there in that condition?

Mr. BOWERS. I think the buildings of the Colorado Fuel & Iron Co. up to date are good, are as clean, and are as well managed as in any coal-mining camps, certainly in the western country, as any I have ever known.

Chairman WALSH. One question, now, and I want to ask the pardon of Mr. O'Connell for taking part of his time, and that question is, I want to ask you, now, you turned out 150 of your men to carry the prohibition amendment to the constitution of Colorado, did you?

Mr. BOWERS. I will explain that.

Chairman WALSH. Well, did you turn them out—150 men—out of your department?

Mr. BOWERS. I did not turn them out. They volunteered, I suppose. They passed it around—

Chairman WALSH. They volunteered?

Mr. BOWERS. Let me explain. I don't mean we turned them out to carry the election. It was before election day; but we were out on the campaign and had a fight on and had practically no funds to carry on the campaign, and they wanted men to do the work, to do the ward work, and distribute literature, and all that sort of thing; and the coal operators, not only the coal operators, but everybody that was interested in the question of prohibition at the election, turned out their office men, and I had been—by the way, I had nothing to do with picking out that 150 men, and I did not know it until the next day after they had been out.

Chairman WALSH. Didn't you use the prohibition sentiment that was strong in the State to get the support for what you called the law and order platform that was for the Colorado Fuel & Iron Co. and the others to aid in the ruthless prosecution of the strikers and the union officers and a relentless policy of suppressing those men?

Mr. BOWERS. It was all interlocked together.

Chairman WALSH. Now, was it due to your influence or any part of your influence—for instance, there was also a proposition submitted, or a law submitted, known as the "assumption-of-risk law"—that is, as to whether or not the law of the assumption of risks should be changed; and on the ballot it was placed in this way: "Shall the workers assume the risk of injury to their own persons and lives in the conduct of industry?" You know that, don't you?

Mr. BOWERS. I was not there during the election or for some days previous to the election.

Chairman WALSH. This was this election you were speaking of in connection with the prohibition sentiment.

Mr. BOWERS. Yes.

Chairman WALSH. Now, I will ask you if it is not a fact that in some of those mining camps the vote stood—in one in particular the vote stood 108 to 5? That is, that on the face of the returns 108 workingmen, American citizens, with the right to vote, declared on the face of the return that they wanted to assume the risk of their own lives, of their arms and legs, and in case they were



killed they wanted their wives and children to assume the risk of their own deaths rather than it should be upon your company and upon the companies engaged in industry.

Mr. BOWERS, I never heard of it and I am surprised there were five.

Chairman WALSH (interrupting). Well, if you take credit for the prohibition law, will you also take corresponding credit for this?

Mr. BOWERS. I didn't take any credit, only what in my way—

Chairman WALSH (interrupting). Well, but didn't you—pardon me; I don't intend to interrupt you.

Mr. BOWERS. I was away during the election and some time prior to that—I would say two or three days.

Chairman WALSH. I just want to read you one other little article about what might be called the enforcement of the law. I am reading from an editorial of the New York Survey—a late editorial—referring to the conviction of Mr. Lawson. It says [reading]:

“Sending one man to prison is hardly sufficient as a deterrent, when notorious offenders against law and order walk the streets unchallenged and free. One of the witnesses for the prosecution was K. E. Linderfelt.”

Do you know Mr. Linderfelt?

Mr. BOWERS. I never saw him.

Chairman WALSH. You know who he is?

Mr. BOWERS. Yes, sir.

Chairman WALSH (reading:) “It was this same Linderfelt who broke his gun over the head of Louis Tikas, the Greek strike leader, and it was when a captive in the hands of Linderfelt's men that Tikas met his death. But the prison doors are not opening for Linderfelt. He has not been prosecuted ‘on the theory’ that he was in command. He was court-martialed and exonerated by his fellow officers. He is on hand to help send the leader of the strikers to prison. Before the strike began”——

You say, I believe, that the militia was called out September 29?

Mr. BOWERS. Yes; I think so.

Chairman WALSH (reading:) “Before the strike began, Lippiatt, a union leader, was shot dead on the streets of Trinidad by men in the employ of the Baldwin-Felts Detective Agency. Belk and Belcher were the men charged with the crime. Later Belcher was shot. Recently a striker, after a long wait in jail, has been found guilty of killing Belcher. Belk, indicted for the slaying of Lippiatt, has been at liberty and no word comes from Colorado of any move toward a trial of his case. But Baldwin-Felts detectives were on hand to testify against Lawson.

“On April 20, 1914, 2 women and 11 children were smothered in a cave in the Ludlow tent colony while the tent over their heads was burned to the ground—set on fire by the militiamen. The officers in command were tried by court-martial and acquitted by their fellow officers, regardless of the ‘theory’ that they were in command. And the governor approved the verdict. But the attorney general of the State took direct charge of the prosecution of strike leader Lawson, securing a verdict sending him to prison for life.

“Among civilized men there can be no two ways of looking at this matter. There must be punishment, or its modern equivalents, in order to deter crime. Law and order must be preserved. But it looks very much, at this distance, as if Lawson had been sentenced, not for counseling or participating in the committing of murder, but for being a leader of strikers.

“If his conviction is to stand, fairness and honesty require the attorney general to prosecute with equal vigor the men who served the coal companies and who are charged with crime. More than that, he must, to be consistent, ask for the indictment of the sheriffs of the counties in the coal regions, the coal mine managers in the field, and all who gave orders to men who took part in these encounters ‘on the theory’ that they were in command. Indeed, there is inexorable logic in the New York Call's challenge that, on the basis of the Lawson conviction, the attorney general should ask for the indictment of President Welborn of the Colorado Fuel & Iron Co., who testified that he purchased machine guns to be used against the strikers, and of John D. Rockefeller, jr., who upheld the acts of the Colorado mining officials.”

Now, are not the facts stated in that—I don't care about these later conclusions; I wanted to read it through. Aren't the facts stated in that correct? Isn't it a fact that Lippiatt was shot on the streets of Trinidad by a Baldwin-Felts detective and that that was the first killing in that entire trouble?

Mr. BOWERS. I don't know anything about the dates.

Chairman WALSH. Just as stated in the Survey. Did you ever hear of the killing of Lippiatt alleged to have been done by Belcher and Belk?

Mr. BOWERS. I recall the killing of some one there; I don't know who it was. I presume that is the case.

Chairman WALSH. Now Linderfelt was never tried in the civil courts, was he?

Mr. BOWERS. I don't know. Why not? I don't know why he is not. The courts are open.

Chairman WALSH. Well, the charge there made is that a new judicial district was created. Now, this is just the charge, I don't know the facts—that the bill was introduced by one of the attorneys for the Colorado Fuel & Iron Co., a Mr. Hayden. Do you have such an attorney out there of that name?

Mr. BOWERS. I never heard of him.

Chairman WALSH. And that the judge appointed to fill that bench was a Mr. Hillyer, who had also been your attorney in these strike matters—that is the charge—and as this paper says they are prosecuting one side and not prosecuting the other. They are not prosecuting any of you gentlemen or any of the persons that were in your employ or engaged in any of these deplorable controversies. That is the charge.

Mr. BOWERS. The representatives of the United Mine Workers of America have as able lawyers and all the facilities—

Chairman WALSH. Well, have they a lawyer on the bench? Was one of their lawyers also put on the bench?

Mr. BOWERS. I don't know a thing about that.

Chairman WALSH. Oh! You were not speaking of lawyers in official positions?

Mr. BOWERS. Mr. Hawkins is attorney for them in this prosecution. They have got, as a whole, I guess, as able men as you can find anywhere in the country and resources almost unequalled. If those men do not perform their duties to see whether those men are prosecuted, and whether Mr. Rockefeller and Mr. Welborn, or whoever it is, it is their fault or that of the courts. I don't know where the fault is.

Chairman WALSH. Suppose things were like you said they were in 1907 here when you came in; that the company had gotten control of the officials—absolute control of the officials—absolutely controlled them corruptly.

Mr. BOWERS. That is only a little part of the mining operations up there in the mountains where that group are. The whole State of Colorado is not controlled by these political saloon keepers.

Chairman WALSH. What is the vote up in that little place?

Mr. BOWERS. I don't know. I will tell you, I would like to say this: I haven't any knowledge of it, but I have no doubt 90 per cent of it is the saloon vote or the saloon influence; and these men who own the saloons and other politicians there run the election, a thing we are trying to stop, Mr. Chairman, but what you say—that the machine dictated all that business—there is not the slightest doubt about it.

Chairman WALSH. And not the coal company?

Mr. BOWERS. The coal companies had nothing to do—no, wait a minute. I want to make a line between the Colorado Fuel & Iron Co. and other coal companies. These companies employed Judge Northcutt. The Colorado Fuel & Iron Co. is but one company. Judge Northcutt was employed by the group composed of about 90 companies, backed up by the others.

Chairman WALSH. I have nothing more, Mr. O'Connell.

Commissioner O'CONNELL. I want to get back, Mr. Bowers, to the report of this military board. I would not have asked you this question only it has been brought up by others. In this report, which has in part already been read to you, it says: "As a result of our investigation we submit the following findings, report, and recommendations: 1. We find the remote cause of this, as of all other battles, lies with the coal operators."

What is your impression of that portion, which is the very first part of the board's report?

Mr. BOWERS. What is that?

Commissioner O'CONNELL. This is the report of the military board that Mr. Weinstock read to you a few moments ago.

Mr. BOWERS. That is their conclusions. I have nothing to say.

Commissioner O'CONNELL. It says: "We find the remote cause of this, as of all other battles, lies with the coal operators."

Mr. BOWERS. Do they state the reasons for it?



Commissioner O'CONNELL. It is just simply a finding. Now, continuing to read from the one which Mr. Weinstock has already read you a portion, speaking of the things that the military did during the camp fire at Ludlow [reading]:

"One William Snyder and his family—then the tents were fired upon. We saved one William Snyder and his family." I am not reading the whole article. "Then the tents were fired upon."

Now, I want to read you the testimony before the coroner's jury given by Mr. Snyder himself. This is testimony taken at the coroner's inquest, given by Mr. Snyder [reading]:

"William Snyder, first being duly sworn," and so forth. I am not going to read all of this to you. And where I say "blank," Mr. Stenographer, it means a bad word.

"State whether or not any of your family were killed.

"Yes, sir.

"Who?

"Frank; he was 11 years and 11 months old.

"Where was he?

"He was sitting in a rocking-chair when he was struck.

"Where was he struck?

"By the temple, and tore out the brains.

"Did it affect the brains?

"Yes, sir; tore them out.

"Broke his skull?

"Yes, sir; we haven't been able to find the pieces of the skull.

"Tell what happened from the time that he was killed until you got out of there?

"He was killed, I should judge, about 5 o'clock in the afternoon of the 20th of April. I had been outside and I heard the bullet pass by me. I had stepped out, and I heard it strike something; I heard two distinct hits of the bullet. My next boy to Frank, George, said, 'Frank is shot.' I said, 'Where?' and I jumped in the other room and caught the boy before he fell out of the chair. Just then a bullet went over my head, and so I had to let the boy down on the floor on the wounded side, and I lay down beside him. My wife was in the cave, and I said to her, 'Frank is dead.' He was still in a convulsion: I picked the boy up and put him between the beds. My wife had started to come out of the cellar, and she fell in a faint, so I grabbed her. Then I went and got some water that my wife had been preparing to wash the dishes in and tried to wash the blood off of Frank's face, but the firing came so heavy that I had to stop. Finally I went over to Toller's tent, and from what I have heard since, I must have come back in all that heavy machine firing. I got back home and I got down on the floor and took both of Frank's hands, he was just drawing up, and laid them across his chest and then went into the hole with my wife and the other children.

"When did you get out of there?

"Somewhere around 12.30 or 1 o'clock.

"Did anybody come to your tent while you were there?

"Yes, sir; the militia come there.

"Who were they?

"I don't know them.

"What did they say to you?

"They set fire to the tent and opened it and come in.

"They set fire to your tent?

"Yes, sir. My wife then said, 'For God's sake save my children.' I didn't want them to know I was there, but just about that time sister said something to me.

"What did they say to you?

"They said, 'What in hell are you doing in there?' I told them I was trying to save my wife and children, and they said, 'You son-of-a-bitch get out of there and get out God damn quick at that.' My wife was out by that time; I believe one of the officers helped her out. I told them to hold on, I had a boy killed in there, and they told me to get him out damn quick. I picked the boy up and lay him down outside so I could get a better hold of him. I asked some of those fellows to help me to carry him to the depot, and he said, 'God damn you, aren't you big enough?' I said, 'I can do it.' I took him on my shoulder and sister on the other arm, and just then some one of the militiamen stopped me and said, 'God damn you, you son-of-a-bitch, I have a notion to kill you

right now.' He said, 'You red neck son-of-a-bitch, I have a notion to kill you right now.'"

Chairman WALSH. The boy was dead there?

Commissioner O'CONNELL. The boy was dead. [Continuing reading:]

"Do you know who he was?

"I think I do, he is a guard in uniform.

"What is his name?

"I would rather not tell it unless I just have to.

"Will you tell it to me in private?

"Yes, sir. My wife kept on pleading. He says, 'You have done as much shooting as anyone else around here,' and I just kept on going until I got to the depot.

"Did your wife go with you?

"Yes, sir.

"Were the tents burning at that time?

"Yes, sir. While I was passing Snodgrass's store this man, that officer, Mr. Linderfelt, flashed a light and said, 'What God damn red neck have we got now?'

"Which one said that?

"The one we call Jesus Christ.

"Do you mean E. K. or K. E. Linderfelt, the man with the bull face?

"That's right; he is bullfaced.

"He is a captain?

"We used to call him lieutenant, but I think he is up in the ranks now.

"Why did you call him Jesus Christ?

"He told Mrs. Lowe that he was Jesus Christ, and that the other fellows were his Jesuses, and so we always called him Jesus."

I shall not read the rest. I simply cite that to show you the wonderful effort made by these soldiers to save these people in the burning tents, which Mr. Weinstock read to you. Now, in this letter of yours on November 18 to Mr. Rockefeller, you mentioned [reading]:

"You will be interested to know that we have been able to secure the cooperation of all the bankers of the city, who have had three or four interviews with our little cowboy governor."

Now, what was implied by the reference to the three or four interviews with our little cowboy governor?

Mr. BOWERS. On my part?

Commissioner O'CONNELL. Yes, sir.

Mr. BOWERS. I don't quite get your question.

Commissioner O'CONNELL. Well, I get the information that the bankers when they called upon you stated that they had seen the governor three or four times, and apparently must have said we have fixed the governor up, or he is with us, or against us, or something. There was some inference in it. You had something in your mind.

Mr. BOWERS. Well, now, these bankers, as I stated this morning, acted for the common good—they are gentlemen of very high repute. They had nothing but the good of Colorado and the good of all concerned in view, and I have no doubt—I imagine, and I have reason to think that they thought that these men and the property and the lives ought to be protected. If the operators are accused and proven guilty of what they are charged with, certainly the governor should have put the militia in there to have protected the strikers from the operators as much as the other way. We only wanted peace, and I had no idea but those gentlemen there intended to use their very best efforts for all concerned to secure it, the same as the newspaper men and other men did.

Commissioner O'CONNELL. Is it your impression that the governor had agreed to put the military in and that that will stop the warfare?

Mr. BOWERS. Oh, I don't think they said that. I don't think it had got along to that point. I wish it might have been. The governor, I suppose you all know by the testimony, was condemned by pretty nearly everybody on both sides because of his inactivity and various other things. I don't want to discuss Gov. Ammons; I don't know him at all.

Commissioner O'CONNELL. Now, just a little later on you wrote Mr. Rockefeller [reading]:

"If the governor had acted on September 23 as he has been forced to act during the past five weeks, the strike would not have existed 10 days."



Mr. BOWERS. By the public sentiment of the State—the best people there insisted that the governor should act, and if he had done that at the very beginning there would not have been a particle of trouble.

Commissioner O'CONNELL. That is, if the governor had done what?

Mr. BOWERS. Called out his militia.

Commissioner O'CONNELL. Well, he did call the militia out.

Mr. BOWERS. Not until several weeks, until after all this miserable business—

Commissioner O'CONNELL (interrupting). Well, the Ludlow affair did not occur until after that, along in April.

Mr. BOWERS. Yes, sir; but if in the interim it had been called out and put the men in charge, there would not have been, I believe, a person killed, and the matter would have been adjusted very much better.

Commissioner O'CONNELL. The reason I read that for you, I want to call your attention to the peculiar position of the governor being rounded up there. Commissioner Weinstock read to you a portion of a letter—probably all of it, I am not sure—that he sent to Mr. Rockefeller, which he read into the record on Saturday, and again read to you, and asked your opinion of it. I shall not read all the letter, but just the three queries. [Reads:]

“(a) That at no time after the strike could they get a hearing at the hands of the operators.”

Now, you say they came, and Mr. Rockefeller said they had, and pointed out there was a committee of three men met the officials of the companies with the governor.

Mr. BOWERS. And Secretary of Labor Wilson—he was present.

Commissioner O'CONNELL. That was November 26, I believe?

Mr. BOWERS. I don't remember; I was not there.

Commissioner O'CONNELL. Or about two months after the strike had occurred.

Now, Commissioner Weinstock called attention to the character of Senator Patterson, his reputation, his high standing, his legal ability, and all the attainments of a high class or high type of man, and I take it when he called your attention to that that he believes that Senator Patterson was just what he asked you if he was, and therefore I take it that whatever Senator Patterson states upon this case, in his testimony given before the commission, it is given by a high type of man who would not for a moment misrepresent.

Mr. BOWERS. There would be a very great difference of opinion in Colorado about that suggestion.

Commissioner O'CONNELL. Yes; I am taking Commissioner Weinstock's picture of Senator Patterson.

Mr. BOWERS. I remember it.

Commissioner O'CONNELL. Senator Patterson, in his testimony before this commission, found on page 539 of the hearings, speaking of the representatives of the miners who called upon him and of his effort with the governor to bring about an adjustment, says:

“Mr. White—I think it was Mr. White; it was either Mr. White or Mr. Lawson; I am quite certain it was Mr. White—made this statement, addressed to the governor and myself: He said, ‘We have this to say: That if the operators will but grant us a conference we know that this strike will be settled.’ He said, ‘All we want to do is to have a conference with these men so that we can understand each other, and if they will but grant us a conference we know that this strike will be settled.’ I said to them, ‘Gentlemen, do you understand the import of your language?’ I said, ‘You know that the operators will not recognize the union. It is generally understood that you will insist upon recognition of the union as a sine qua non of a settlement, and that the fair inference of your language is that you are willing to reach a settlement upon some other basis than the recognition of the union.’ Mr. White replied, ‘Whatever the import of our language is I simply reiterate that if the operators will but confer with us we know there will be a settlement.’ Gov. Ammons and I felt that in view of the statement that there was some hope, and we called up the operators very promptly, and they agreed to meet us. The same gentlemen met us, and I put the matter before them. I said, ‘Gentlemen, I believe that a settlement can be reached.’ I said, ‘These men say that if you will but grant them a conference they know that the strike will be settled.’ ‘Now,’ I said, ‘that must mean they will surrender their demand for the recognition of the union, and I think you ought to grant them a conference. They are right out here in the adjoining room; there is

but a brick wall separating the operators and the governor and myself and the miners and representatives.' They said 'No; we will not hold any conference with them.'"

Commissioner WEINSTOCK. May I ask Mr. O'Connell at this point for my information what day did Senator Patterson say that proposed conference took place or was to take place?

Commissioner O'CONNELL. Why, I have been running along here quite a while and have not got the date here, but I am going back further than that, and I will get the date of the request for a conference.

Commissioner WEINSTOCK. We want to remember that the date of the conference when Mr. Wilson was present was said to have been about November 23, and it is important to know whether this conference occurred before or after that.

Chairman WALSH. It occurred before.

Commissioner O'CONNELL. It occurred before, and before that still, before the strike occurred—a month before that strike occurred—a communication was addressed to the operators, not to the Colorado Fuel & Iron Co., but to all the operators in the mining fields—a personal letter addressed to each one or addressed personally to the company by the officers of the miners, asking for an interview. Not even an acknowledgment was had from that letter or to that request from anybody, with the exception of two very small independent operators. The conference was not given nor was the letter acknowledged in which these men asked for the conference. Had a conference been held, taken from the testimony given by Senator Patterson in his interview with the governor and with the officials of the miners, as to their willingness to concede the question of unionizing the mines, there is not a question—the only deduction that can be made from it is that the adjustment would have been reached and the strike not called at all. Now, from the question put by Mr. Weinstock to Mr. Rockefeller, it would appear because of the word "after" being used here would lead to the inference that the request was after the strike, and that if it had been granted after the strike that the trouble would not have occurred, and that it was immediately after the strike occurred that these difficulties involving the sacrifice of life occurred; but the contrary is the truth. Before the strike occurred, even on September 14, Lippiatt was killed, and the very day after the strike, the 24th, Lee was killed.

Mr. BOWERS. The day after, was it?

Commissioner O'CONNELL. The day after the strike occurred on the 23d.

Mr. BOWERS. Who was Lee?

Commissioner O'CONNELL. Camp marshal that was shot.

Mr. BOWERS. I was thinking it was the day after, but I was advised it was the 29th.

Commissioner O'CONNELL. It is here in the Congressional Record; I have it here, if you please.

Commissioner WEINSTOCK. Is that the first volume of the Congressional Record?

Commissioner O'CONNELL. Volume 1.

Commissioner WEINSTOCK. Are you using it?

Commissioner O'CONNELL. I have got those two pages marked.

Now, the point I want to make, Mr. Bowers, particularly at this time, is this: There seems to be a very great effort being made a month or two months or three months after the strike occurred to bring about a settlement. The congressional committee was out there; the Secretary of Labor was out there; the principal citizens of the community, including the governor, interested themselves in trying to bring about an adjustment one, two, and three months after the strike occurred. Life was being sacrificed right along. Property was being destroyed right along. And yet, so far as I know from all the records we have and all the testimony I have heard up to this day, the officials of the Colorado Fuel & Iron Co., or the officials of the other two big companies that was associated with them—the Victor and the Rocky Mountain Fuel Co.—that these officials, up to this day, have not met with the officials of the miners themselves. There was a committee of three—do you know how they came to be in the governor's office—three miners?

Mr. BOWERS. They were selected.

Commissioner O'CONNELL. I know how they were selected. They were selected by the coal miners themselves—so said.

Mr. BOWERS. And so said that they were not. There you have it.

Commissioner O'CONNELL. The fact is that they were not. Now, the miners who were on strike had their officers in the field there, they were there, and



some of the citizens of Colorado—they were not interlopers, as you said in your communication, Mr. Bowers—and two of the officers were citizens of Colorado and had a right to be in the State, if you think that the nonresidents had no right to be there, and these men were not met before or after the strike?

Mr. BOWERS. I will admit all of that.

Commissioner O'CONNELL. I want to get that clear, because Commissioner Weinstock has in mind that the company did meet the miners or their officers.

Mr. BOWERS. Yes, sir.

Commissioner O'CONNELL. From all of the testimony that we have heard, there was nothing to indicate that.

Mr. BOWERS. My understanding of that is this, that the representative of the union selected several men, and they were submitted to, I don't know who, but finally three men of good standing, striking miners, union men, I think, perhaps, that were satisfactory; I don't know who passed upon them, but it was submitted, and I don't know whether—their representatives, as I understand, were authorized on that side in the union's interest. If I am misinformed, I may be corrected.

Commissioner O'CONNELL. The point I want to bring to your attention is this, that for two months before the strike occurred, the miners' representatives were endeavoring to secure a conference with the officers of the company, the one you represented and other companies.

Mr. BOWERS. I think that is perfectly true.

Commissioner O'CONNELL. We have a copy of their letters.

Mr. BOWERS. Yes, sir.

Commissioner O'CONNELL. And they did not even receive an acknowledgment of their communication?

Mr. BOWERS. No.

Commissioner O'CONNELL. Now, if that strike could have been avoided, and that great sacrifice of life could have been avoided, and the destruction of property could have been avoided by a mere meeting of a few men, Mr. Welborn or yourself, or whoever might represent your company, with recognized leaders of the men, selected by themselves, as men to represent them in conference, men with some ability—

Mr. BOWERS. Grant all that.

Commissioner O'CONNELL (continuing). And not taking a man from the bowels of the earth, as he comes up from work when he comes into daylight, and is staggered—

Mr. BOWERS. Grant all that.

Commissioner O'CONNELL (continuing). But there was no justification, morally, for you men not sitting down with those men, even though you disliked them, and everything else, if that great struggle could have been avoided, and a repetition of those former struggles, by a mere meeting of the men—

Mr. BOWERS. What is the question?

Commissioner O'CONNELL. I want to know the reason why. I want to know why. You were there and ought to know. Your letters were very strong on the subject. Why didn't you meet those men before the strike occurred?

Mr. BOWERS. I was not on the committee, and was not selected by the operators to have any part or lot in that business. You ask me personally what I would have done? You put the question to me that way, and I will answer.

Commissioner O'CONNELL. What would you have done?

Mr. BOWERS. I never refused to let any man or woman with a grievance, high, rich, or poor, go away without a conference. I speak for myself. Never in my life have I refused a conference. I think it is the most foolish and ridiculous thing on the face of God's earth to refuse conferences to men, whether they are right or wrong. If they are wrong, I will try to make them right; and if I had been the man—I would go this far to avoid a very serious strike. The chairman asked if I had had a strike on the Great Lakes when I was there, and I said no; but they did have a very severe strike later, and they said that I represented the money interests. They had a great strike there, and three of the strikers came to the hotel where I was stopping and said they would submit it to me, that if I would act as the arbitrator, the other side would consent, that the strikers would submit and agree to whatever I said. I was regarded by the strikers themselves as fair on these questions, and they urged that I be selected, but I refused to do it, and I told the boys, "You are wrong in one particular, you are defeated." I stayed there a few days and I did help settle that strike peaceably and satisfactorily. That is

where I stand. I had nothing to do with that, and I have no criticism for those that did have to do with it. They were men selected by 90 operators.

Commissioner O'CONNELL. If you had had to do with it, you would have met the committee?

Mr. BOWERS. You are just exactly right. I take it on general principles. I will meet a man if he is decent and he has anything that he thinks is a grievance and a matter to discuss with me; he will get into my office if he stays long enough.

Commissioner O'CONNELL. If that is your position, you must think that it was not foolish in meeting representatives, whether their grievances were wrongs or imaginary, and if they had met them there would probably have been a settlement arrived at, and the lives of these men, women, and children not have been sacrificed?

Mr. BOWERS. But that applies to somebody else; I am out of that.

Commissioner O'CONNELL. But you were an officer of the company and a director?

Mr. BOWERS. I have been criticized mightily because of some of my sentiments in regard to capital and labor, but let me say this: That every drop of my blood, all of my life, has been with the common people to uplift and help them. I myself have worked 12 hours for 30 cents and got what little education I have on that kind of a basis. I know what work is, the same as any man that goes down in a coal mine.

Commissioner O'CONNELL. You have nothing on me on that.

Mr. BOWERS. And I shake hands with you on it. I am no less a man for it.

Commissioner O'CONNELL. Now, the second proposition of Mr. Weinstock's proposition, which he submitted to Mr. Rockefeller and to-day to you, was that the civil and judicial machinery for obtaining such justice as the law affords was in the hands of the operators and not available to the strikers. Let me read you again—

Mr. BOWERS. I have lost my train, so you might as well go on.

Commissioner O'CONNELL. On page 9 of the digestive document No. 50, under the heading, "Political domination by operators—this is an expression before our commission by a gentleman who has been held up to you as one of the types of citizenship that might be followed; this is his opinion [reading]:

"The men employed by the large mining companies have been used to gain political power. There is no doubt that it is the deliberate purpose of these companies to control the officials of the counties in which they are operating, and to have a great influence in the selection of judges and in the constitution of the courts. In this purpose they have been successful. Election returns from the two or three counties in which the large companies operate show that in the precincts in which the mining camps are located the returns are nearly unanimous in favor of the men or measures approved by the companies, regardless of party. The companies know whom they want elected and do not hesitate, judging from the results to now."

This is the opinion of one of your reputable citizens who was interested in bringing about a settlement and he says that the courts, the ballot boxes, and the political situation were dominated entirely and in the hands of the coal companies of Colorado; that is Senator Patterson.

Mr. BOWERS. I do not think that any man in the State of Colorado knows better than Senator Patterson that Colorado has been under the domination of the Democratic Party for years and years and years, and if these scoundrels are in there, and he has been the leader of the Democratic Party for years, and help put the scoundrels in there, on whom does it rest? Not on Mr. Rockefeller or on me.

Commissioner O'CONNELL. You concede that situation is true, then?

Mr. BOWERS. I do not admit that in certain counties that condition does exist; I do not dispute it. I do not dispute Senator Patterson, because he ought to know.

Commissioner O'CONNELL. In the counties where these coal companies operate they have the judges and sheriffs, and through the sheriffs can select the jurors, as was testified to in the evidence before us of Sheriff Farr himself, and by others before us as to how the juries were selected; how the election commissioners were appointed and sometimes where they did not show up at a certain precinct, Sheriff Farr said: "You and you and you act as election commissioners to-day." Under these circumstances I ask you, Mr. Bowers, as a man of great affairs and dealing with big business and big financial affairs, if you think a poor, humble miner, without any great amount of money, without



any property behind him, or any influence, has any chance of getting justice in a situation of that kind?

MR. BOWERS. Why, no; no one need to ask me that—excuse me for that. I know those poor fellows in there ought to have the support of every decent man there is to the end that their rights are protected and they will get that treatment from me.

Commissioner O'CONNELL. I want to say I have given way to the public and the employers in this investigation of the Standard Oil Co.; I simply sat as arbitrator between them, and labor has taken the neutral position.

MR. BOWERS. I want you to appreciate the fact that I have been able to uncover some facts.

Chairman WALSH. You may have to stay longer, Mr. Bowers, if you do not leave to catch your train.

MR. BOWERS. I will be glad to stay if I can tell anything further.

Commissioner O'CONNELL. I would like to ask this question: How did this governor come to be called the "little cowboy governor"?

MR. BOWERS. He was a cowboy and herder up in northern Colorado.

Now, I would like to make a statement for myself, and I ought to beg your pardon for being so vigorous, but that is my make-up. It want to say this, and I think you will believe me, that neither John D. Rockefeller, sr., or John D. Rockefeller, jr., or anyone else connected with that office has dominated me or dictated to me one single word in 20 years as to how I should do, what I should do, or when I should do it. I never had one line, and I challenge anybody to find one line of dictation from Mr. Rockefeller's office, either senior or junior, to me; you can imagine where he would land if he tried it.

Chairman WALSH. I thought you said Mr. Rockefeller and you understood each other 20 years ago, as to where you stood.

MR. BOWERS. He sought me for years before I accepted the place, and that is the kind of man he wanted. If I was a putty chap, I could not handle hundreds of millions as I have for years; he has to have someone to handle those things.

Chairman WALSH. You said you knew nothing about this situation in Colorado?

MR. BOWERS. That is a little too strong. I told you the reason why I have had to be away from there. Let me tell you one thing.

Commissioner O'CONNELL. I will have to take you on again, Mr. Bowers, if you are going to stay any longer.

MR. BOWERS. I tried to get out of this position in December, 1912, and I don't work for sixpence. I tried to get out of affairs and retire and quit; I am almost 69 years old.

Chairman WALSH. You are not getting 30 cents for 12 hours now?

MR. BOWERS. No; I am not. Now, if I can give you any further light on these matters, all right.

Commissioner WEINSTOCK. I have one question I want to get my mind straightened out. Mr. O'Connell has brought out in his questioning the fact that for two months before the strike efforts were made to get a hearing on the part of the men and they failed. Now, my question that I put to you—I think it was the first question—was that the charge was made—if it is not so worded, it ought to be—that at no time from start to finish could the men get a hearing.

Commissioner O'CONNELL. No; it says after the strike occurred.

MR. BOWERS. I say, the only thing that would come up in this connection is whether those three men represented the unions; did those three men selected represent the union or not; my understanding is that they did.

Commissioner WEINSTOCK. Then, you still contend there was an opportunity and the men did have a meeting, not as quickly as they wanted to, but they got it?

MR. BOWERS. It would take more than 30 minutes to convince me they did not.

Chairman WALSH. You may be excused.

(Eugene S. Gaddis stands up in the audience and addresses the chairman, as follows:)

DR. GADDIS. My reputation as a public officer is at stake.

Chairman WALSH. If you will permit me to say, we will give you an opportunity to reply, but we can not do it at this time, because it would not be following the regular order of our hearings.

DR. GADDIS. Won't you allow me to say a word?

Chairman WALSH. Not at this time; but you will be given a chance at the proper time.

MR. KING.

## TESTIMONY OF MR. W. L. MACKENZIE KING.

Chairman WALSH. Please state your name.

Mr. KING. W. L. Mackenzie King.

Chairman WALSH. I believe you testified before the commission at the inception of our hearing.

Mr. KING. In June, last year; yes.

Chairman WALSH. What connection have you with the Rockefeller Institute, or any of the Rockefeller properties?

Mr. KING. I believe my official designation is director of the industrial relations department of the Rockefeller Foundation.

Chairman WALSH. When did you first go to Colorado? I am going to try to centralize this as much as possible, Mr. King.

Mr. KING. About two months ago, or a little over.

Chairman WALSH. When did you return East?

Mr. KING. I came here when I received the request of the sergeant at arms of this commission to be present.

Chairman WALSH. What date was that, Mr. King?

Mr. KING. I returned here on Monday of last week.

Chairman WALSH. Where were you in Colorado when you were out there?

Mr. KING. I was in Denver a good part of the time; I was in Trinidad; I was through the coal camps in the southern part; I was at Boulder, and through some of the camps in the northern part. I think that covers the main part of it.

Chairman WALSH. What was your purpose in going out there and being out there?

Mr. KING. Perhaps I could give that in the form I gave it to the public, and also to the foundation. It is a matter of sufficient importance to have it correctly stated, and if I may I will just read this.

Chairman WALSH. Just read your own statement; I think that will be the best way.

Mr. KING. Before I went out I wrote a letter to the Rockefeller Foundation. I felt that I should like to put myself on record as to my purpose and motive in going, and this letter sets out the reasons I had. This was dated March 1, 1915, and is addressed to Mr. Jerome D. Greene, and is as follows [reading]:

61 BROADWAY, NEW YORK, *March 1, 1915.*

JEROME D. GREENE, Esq.,

*Secretary the Rockefeller Foundation, New York.*

DEAR MR. GREENE: In the preliminary survey I am making of the field of industrial relations, I have arrived at the point where I should like to supplement a study which is more or less abstract and theoretical by reference to concrete existing conditions, and it is therefore necessary for me to consider the particular industries and localities it may be advisable to select for this purpose. I have in mind in this connection the twofold intention of the officers of the foundation as conveyed at the time I was invited to undertake the direction of the investigation, and which has since found public expression in answer to one of the questions submitted to the foundation by the United States Commission on Industrial Relations at its recent hearings in New York.

May I, for purposes of accuracy and definiteness, quote the question and pertinent paragraphs in the answer made? These are to be found at pages 14 and 15 of the pamphlet issued by the foundation containing the information furnished by the foundation in response to questionnaires submitted by the commission.

The question reads: "What were the facts, reasons, and considerations which led to the establishment of the industrial relations division of the foundation?"

The following is contained in the reply. Then I quote what was given the commission by the foundation: "While the general subject of economic research was under consideration, the industrial disturbances in Colorado impressed the president of the foundation with the great need and public importance of finding an effective means of preventing such conflicts and caused him to urge a far-reaching study of industrial relations as the most important immediate inquiry to which the foundation could direct attention. In view of the passion aroused in Colorado, and the many divergent interests involved



there, it was felt that the foundation itself should not interfere in that situation, but that it was of the utmost consequence that the root causes of that and similar disturbances should be ascertained and, if possible, removed, not only in Colorado, but elsewhere. The Rockefeller Foundation is moreover a large owner of corporate securities, and in that capacity is itself directly concerned in maintaining harmonious relations between the companies in which it is interested and their employees. It was therefore felt that if the foundation could work out on a basis compatible with sound economics a substantial improvement in the relations between capital and labor, that it would not only discharge its obligations as indirectly a large employer of labor, but would also perform for the general public a greater social service than it could render along usual philanthropic lines."

Chairman WALSH. In the quotation you just read from the reply speaks of the president of the foundation; that is, Mr. John D. Rockefeller?

Mr. KING. John D. Rockefeller, jr. Then I continue in my letter [reading]:

It has seemed to me that it will not be possible for me to fulfill the twofold purpose outlined without at some time visiting Colorado and becoming acquainted at first hand with conditions as they have existed and may be existing there. I should not desire to visit Colorado now or at any time if my purpose in so doing were liable to be misunderstood, either by the foundation, the mining companies of Colorado, or any section of the public, or if my presence there were likely to embarrass in any particular the industrial situation in that State. On the other hand, now that the strike is over, it would appear that, were I to visit Colorado in the immediate future rather than at some later time, my so doing might enhance such opportunity as my present studies may afford of ascertaining the root causes of disturbances in Colorado, and of possibly furthering in the manner indicated a permanent improvement in the relations between capital and labor.

May I, before going further in the arrangement of my plans, ask if you would kindly submit this aspect of my work to the officers of the foundation for their consideration? I shall welcome any suggestions the foundation may care to make.

Yours, sincerely,

W. L. MACKENZIE KING.

The reply I received from the foundation was this—

Chairman WALSH (interrupting). First, had you any conversation with Mr. Rockefeller before you wrote that letter? Personally, with reference to your going to Colorado?

Mr. KING. I have had a great many conversations with him, but at no conversation did he ask me to go to Colorado.

Chairman WALSH. Did you discuss the matter of your going to Colorado in any of your conversations?

Mr. KING. I think it is altogether probable I did.

Chairman WALSH. Do you recall it?

Mr. KING. I do not recall it definitely, no; I do recall that at no time did Mr. John D. Rockefeller, jr., ask me to go.

This reads as follows:

At a meeting of the Rockefeller Foundation held in New York, March 2, 1915.

The secretary presented a letter from Mr. W. L. Mackenzie King, director of the investigation of industrial relations, stating that he had arrived at a point in his investigations where he wished to supplement a study that was more or less abstract and theoretical, by reference to concrete existing conditions, and that it was therefore necessary for him to consider the particular industries and localities that it might be advisable to select for this purpose. Mr. King also pointed out the twofold purpose which it was hoped his investigation might serve; namely, first, the discovery of the root causes of industrial disturbances and the promotion of helpful experiments toward the amelioration of conditions; and, secondly, the assistance of the foundation, as a large owner of corporate securities, in interpreting aright its responsibilities as the holder of securities representing industrial investments. Mr. King stated that it seemed to him that a visit to the coal-mining region in Colorado would be advantageous with respect to both of the purposes had in view, and he asked

that this aspect of his work be submitted to the trustees of the foundation for their consideration.

Whereupon, after discussion, it was, on motion,

*Resolved*, That the trustees, while recording their sympathy with the twofold object of Mr. King's investigation as stated above, desire him to be governed by his own judgment in determining the precise fields of study which seem to him most promising, whether for the ascertainment of past experience or for the promotion of plans for the amelioration of industrial conditions.

A true copy of record.

Attest:

JEROME D. GREENE, *Secretary*.

When I received that communication, Mr. Chairman, I had to consider what other bodies there were that might have a right to be consulted before I made that particular move. The President of this country had appointed a commission, Mr. Seth Low's commission, to go out to Colorado, and they had decided not to go until this fall, and I felt that my going at this time might be misunderstood by them if I did not call in the first instance and intimate my intention, and I called on Mr. Low and said I had in mind going to Colorado in connection with the studies I was taking up for the foundation, and that I would like to confer with him before going. I told him that if I was likely to prejudice the work of his commission in so doing, or he thought my going would be misunderstood from his point of view, that I would not go, and he said he did not see why my going would affect his plans. I thought the Secretary of Labor of this country should be considered, and my purpose made known to him, and I made an appointment to meet Secretary of Labor Wilson; I called on Mr. Wilson and explained to him what I had in mind, and Mr. Wilson received me most courteously and intimated that so far as he was concerned he could not see any objection to my going, and expressed his appreciation of my speaking to him before I went out there.

There was one other group entitled to consideration in this matter, and they were the citizens of the State of Colorado, so, when I arrived in Colorado I gave out an interview in typewritten form to the papers there, so that they might know just what I was in Colorado for, and to prevent any subsequent misunderstanding; and if I may have the time, I shall read it.

Chairman WALSH. Can you give the substance of it, and put the balance of it in the record? If so, it might be well.

Mr. KING. The substance of it is this: I explained the purpose of my—if you have no objection, I would rather read it.

Chairman WALSH. Very well, if you wish to read it you may do so.

Mr. KING. Yes; I should like the people of this country to know my method of procedure and intentions in the matter. [Reading:]

"In June of last year I was asked by the Rockefeller Foundation if I would undertake the direction of a far-reaching study of industrial problems, with a view of making suggestions which might be constructively helpful in improving the relations of capital and labor. It was not anticipated that these studies would relate to any particular industry, locality, or dispute, nor be confined to any one country. Much less were they intended to be concerned with the merits of past or present misunderstandings, or to justify any particular point of view. In so far as the work might have to do with the industrial controversies, its purpose was to be solely that of ascertaining the nature and causes of disorder and unrest, with a view, if possible, to the discovery of effective remedies.

"When I entered upon the work in October I intimated to the officers of the foundation that I should desire at an early date to visit localities that might serve to illustrate existing needs, in order that my studies might be given that practical trend which it was the purpose of the foundation, as well as my own wish, they should have. Colorado very naturally suggested itself as one of the States to be visited. For a number of reasons it has seemed to me desirable it should be the first. The number and variety of Colorado's industries, the stage of its industrial development, and the public interest aroused in its industrial affairs have seemed to me reasons for believing that here might be afforded a ready means of ascertaining from a variety of sources and different angles many points of view as to conditions which give rise to the most difficult problems in industry, and to suggest what is likely to give most promise of practical results in the furthering of industrial peace. This being my object in coming to Colorado, I shall welcome the opportunity of



being informed from any quarter of facts and circumstances calculated to throw light on existing industrial conditions and the problems which they present. Especially will I welcome the views and opinions of men and women actually engaged in industrial pursuits with regard to situations which affect their working conditions, and I shall be grateful for such cooperation as the authorities and the citizens of the State may be willing to afford.

"In connection with the direction of the investigation of industrial relations which the Rockefeller Foundation has instituted, I have from the outset indicated my desire to avoid any form of organization which might cause it even to appear that the work I have taken up was intended to rival or encroach upon the work of existing organizations, and in particular the work properly assignable to Government departments and agencies. It is not my intention, therefore, to attempt to duplicate in any particular what has already been done or may be attempted by the many public investigating or mediating bodies which have already visited or may intend to visit Colorado. Nor do I wish to encroach upon the work of any agencies at present existing or which are in contemplation by the State or local authorities. My purpose is wholly that of informing myself at first hand, by observation and personal interview, that I may the more intelligently discuss and, should occasion offer, cooperate with these and other bodies in furthering the public ends which they have been appointed to serve.

"Lest my purpose in any particular might be misunderstood, I took occasion, before leaving for Colorado, to call upon Mr. Seth Low, the chairman of the Coal Commission appointed by the President, and upon the Secretary of Labor, Hon. W. B. Wilson, at Washington, to explain the precise purport of my intended visit. Similarly, I shall take the earliest opportunity of calling upon Gov. Carlson to explain the object I have in view before proceeding to seek any of the many interviews I hope to be able to obtain.

"I shall be grateful for such cooperation as the press may be willing to give in helping to make clear the precise nature of the foundation's purpose in instituting the investigation of industrial relations, the direction of which I have undertaken, and the object I have in view in this visit. The aim is that solely of endeavoring to be constructively helpful in regard to relations in which the public, quite as much as the immediate parties to industry, have a paramount concern. The final and only test as to whether or not the study of conditions here, combined with similar studies in other parts of the United States and in other countries, may help to further the object they are intended to serve, will be the degree to which the constructive suggestions growing out of the several investigations are practically applied and serve to actually improve the relations of capital and labor."

One thing I would like to mention as a reason I went to Colorado is—  
Commissioner WEINSTOCK (interrupting). Give the date of that interview.  
Mr. KING. This was published in the Colorado papers on March 20. Then I refused to have interviews after that. I wrote this out on the train on the way out, and when I reached Colorado I typewrote it and handed it to the press the same morning.

There was one other reason. I know the public of this country and elsewhere have the impression that if a man is appointed to do a particular work that affects large interests he may be expected to work as hard as he can anywhere else but not come near the interests themselves, and I think that relates to the Rockefeller interests as well as others. I thought I should try, as far as my part of the work was concerned, to make it perfectly plain to everyone that the Rockefeller interests, or any other interests, were not influencing me one way or the other; that I should begin with the Rockefeller interests as the ones that promised, in some particulars, the greatest opportunity for research, and also the greatest opportunities for practical results.

Chairman WALSH. I will ask you your opinion, at this point, without of course protesting anything you might find, or any conclusions you might make—you heard Mr. Rockefeller testify in New York, I believe, Mr. John D. Rockefeller, jr.?

Mr. KING. Yes.

Chairman WALSH. As to the proposition that he could sit as a director of the Colorado Fuel & Iron Co. in the morning and take one course of action with reference to this matter we are talking about, that you are engaged in, and in the afternoon, as a director of the foundation, could take a position that would be entirely in conflict with the other; do you recall that?

Mr. KING. I do not recall that, Mr. Chairman; I do not think Mr. John D. Rockefeller, jr., stated he could take one position in the morning and another in the afternoon. I am sure he did not.

Chairman WALSH. Do you remember the statement he made at that time?

Mr. KING. Yes; I recall that you asked the question whether he could occupy two or three different positions, representing on the board one interest at one moment and another interest at another moment; and he was asked if he thought that was consistent. Do you want my view on that?

Chairman WALSH. No; but after hearing that testimony and this here do you think that after your finding is given out the working people of this country will be able to separate the Rockefeller interests—and especially if they do not find themselves in accord with your finding—if they will be able to separate your connection with them, and also in the conduct of the coal company? I want to put it to you frankly.

Mr. KING. I think about that that the working people are just like all other people; they base their judgment on facts as they see them, and I think they will judge the result of my work by the work itself.

Chairman WALSH. You do not think they will take it out of the headlines?

Mr. KING. I am not at all sure that there may not be a prejudice against this work. I believe there is a prejudice to a certain extent; I do not attempt to say whether it is justifiable or not.

Chairman WALSH. I do not either; but I am just asking you, if, in your opinion as a man that has been in industry for a long time, if that would not be the instant reaction of the workers themselves?

Mr. KING. No; I think not. I think if the result of my work leads to the improvement of industrial conditions the workers will be the first to say, "We want to see justice done to the men to whom injustice may have been done in the past." I trust public opinion and I trust particularly the discerning mind of the working class.

Chairman WALSH. Of course public opinion would have to be free and not come from influenced publications or bulletins; it would have to be free and honest.

Mr. KING. I absolutely agree with that.

Chairman WALSH. And public opinion is made by printed publications, largely, is it not?

Mr. KING. I think the public sees through printed publications. I think the public very soon, Mr. Walsh, realizes where certain things come from when they appear in the press. I think the public are right on to that kind of thing—it does not matter what the source is.

I would like, while we are speaking of that question of Mr. Rockefeller sitting on the two boards, I would like to make the same answer that I think he made, and I think it is this, that if a man can not occupy a half dozen positions, no matter what they represent, and be honest and honorable in every one of them he is not fit to act in any one of such capacities. Men are either honest or dishonest; you can not put them in trade-unions or churches or parliaments or anywhere else and make honest men out of dishonest men, or make dishonest men out of honest men.

Chairman WALSH. Now, let me see if I can bring this down a little more; this is the particular question that I asked Mr. Rockefeller. It was along this line. I will ask you a direct question, because it is hard to quote or answer for another person. But take a case where Mr. Rockefeller was called upon to sit as a member of the Rockefeller Foundation in the morning and received a report from you to this effect: Mr. King after an investigation has found that the great bulk of the coal trade, or digging the coal, is organized into one union; that they have 400,000 members and are known as the United Mine Workers of America, and after a very careful survey of the matter extending over a number of years Mr. King has reported that he does not believe that economic justice can be done without recognizing this union. It is the first one in the trade, it has 400,000 members, with coal miners from various nationalities, with solidarity of work, financially and otherwise, and he has reported that the only thing to do would be to recognize the United Mine Workers of America; we shall now appropriate \$500,000 to circulate Mr. King's findings and to see whether or not we could establish his ideas in America. That he would meet in the afternoon as a director of the Colorado Fuel & Iron Co., and he would say, he could say, that they are such bad men, that is, because of action that perhaps has been taken, that as a member of the board of directors



of the Colorado Fuel & Iron Co. we can not afford to deal with them at all, so I cast my vote that our bones shall bleach in the mountains before we allow them to have anything to do with us.

It is a question of whether or not a man's mentality can be brought into such a position without saying as to whether he is honest or not, whether he can take both actions?

Mr. KING. There is something deeper than a man's mentality—his conscience and his own heart. If Mr. Rockefeller got a report from me saying a thing meant social justice, I don't care what board he was on, he would stand for it.

Chairman WALSH. When did you first meet Mr. Rockefeller?

Mr. KING. Last June.

Chairman WALSH. With reference to being employed in this work?

Mr. KING. May I tell you my meeting with him and what led me to take up this work?

Chairman WALSH. If you will answer my question, you can make any explanation that you desire afterwards. Was it with reference to your employment to do this work?

Mr. KING. No, sir.

Chairman WALSH. Then you may state what it was.

Mr. KING. I received a communication from Mr. Greene, in Ottawa, asking me to come to New York to advise with certain interests.

Chairman WALSH. Did you know Mr. Greene before?

Mr. KING. He had been secretary to President Eliot, of Harvard University, and I was also acquainted with him through Lord Grey in Canada.

Chairman WALSH. Have the Rockefellers interests in Canada?

Mr. KING. Not that I know of.

He asked me if I could come down and advise with him with reference to certain interests in which he was connected. I think I have the precise words of the communication. First it was a telegram and was followed by a letter, and this paragraph here in the letter of June 3 was sent to me by Mr. Greene [reading:]

"Through the Rockefeller Foundation we are already planning some economic and social studies, which may have an ultimate bearing on the solution of the labor problem; but it has seemed to us that if, in our purely corporate capacity as owners or directors of large industries, we can work out, on a basis compatible with sound finance, any substantial improvements in the relation of capital and labor, we shall be, perhaps, doing a greater social service than we could render through any of our strictly philanthropic expenditures. It is with reference to a wise approach to this great problem that I am now asking your aid."

I may say that I got that from Mr. Greene.

Chairman WALSH. Read that again; I was trying to connect it in my own mind.

Mr. KING (reading): "Through the Rockefeller Foundation we are already planning some economic and social studies which may have an ultimate bearing on the solution of the labor problem; but it has seemed to us that if, in our purely corporate capacity as owners or directors of large industries, we can work out, on a basis compatible with sound finance, any substantial improvements in the relation of capital and labor, we shall, perhaps, be doing a greater social service than we could render through any of our strictly philanthropic expenditures. It is with reference to a wise approach to this great problem that I am now asking your aid."

Chairman WALSH. Now, does the middle of that paragraph mean the coal company?

Mr. KING. The Rockefeller Foundation has investments in a large number of corporations. I think they hold bonds of the coal company. I am not sure though on that point.

Chairman WALSH. Now, let's see if I understand that. Does he mean by that—do you understand him to mean in their purely corporate capacity; does that mean the foundation?

Mr. KING. I think it means the foundation specifically. I think the foundation as a corporation holds other investments. I must say in regard to this passage that it seemed to me to register about the high-water mark of a sense of responsibility on the part of large corporations.

Chairman WALSH. Now, they were speaking as a large corporation like a coal company or an oil company or anything they might be interested in?

Mr. KING. No; they were speaking as a large corporation that owned certain securities. They were stockholders and bondholders.

Chairman WALSH. So you felt what you note there, that that was the high-water mark of corporation management, that they should want to do a thing like that?

Mr. KING. No; not that. What I felt was this—and what I felt very strongly was this: That the place to begin improvement of industrial conditions is not so much on the part of the workers as on the part of the men that have capital.

Chairman WALSH. Why? And why should not the workers jump in and do something for themselves right away?

Mr. KING. They should jump in and do something for themselves; but the more a man has in the way of power the greater his responsibility; and if I am a stockholder owning a hundred thousand dollars of stock, I think I have a greater obligation to my fellow man than if I was a working man with no capital saved at all. And this seemed to me to indicate that so far as the foundation was concerned they were taking the view that as the owners of large wealth and property they hoped to be able to render a great social service by setting an example to the rest of the world by making the industries through which they could exert their influence, if any, better industries than they had been, and improve the relations of labor and capital in them.

Chairman WALSH. Now, do I understand you to say that what you drew from this was that when these gentlemen mentioned doing something in their corporate capacity, did they mean that the Rockefeller Foundation has a corporate capacity and they were speaking from that standpoint?

Mr. KING. Certainly.

Chairman WALSH. Now, let's see. I want to get this straight. I do not get it exactly. Let me see, it seemed to say that if "in our purely corporate capacity as owners or directors of large industries, we can work out on a basis compatible with sound finance any substantial improvements in the relation of capital and labor we shall be perhaps doing a greater social service than we could render through any of our strictly philanthropic expenditures."

In other words, they had the foundation in which they were operating in the field of philanthropy, but that it occurred to them that in their purely corporate capacity as the owners or directors of large industries they could work out on a basis compatible with sound finance certain substantial improvements in the relations of capital and labor. Wouldn't you think from that, now, that their approach to you, now, was as managers and owners of industrial concerns?

Mr. KING. I grant you it may have been that, and probably it was.

Chairman WALSH. Don't you think it was, after we analyze it?

Mr. KING. No; as I recall it, at that time Mr. Greene was director in several corporations as well as in the Rockefeller Foundation.

Chairman WALSH. Well, don't you think he was talking from that standpoint?

Mr. KING. Well, I will say that I think he was, if—I think probably you are right; that it may have included every interest that Mr. Greene was a director of. That would include the Colorado Fuel & Iron, and I think they were quite right; that if they could improve conditions in the Colorado Fuel & Iron Co. that they would be rendering a much bigger service to labor and to the public than they would by any of their philanthropic expenditures.

Chairman WALSH. They say: "If we can work out on a basis compatible with sound finance." What do you understand that to be, a sound financial basis?

Mr. KING. Well, I should feel that any improvement that is not capable of being carried on a sound financial basis is not likely to be of service to anybody—if you can't do a thing on a basis of what is sound finance. If it can be done only on a basis of unsound finance, the thing is no good for anyone. That is all that sentence means.

Chairman WALSH. The "sound finance" means that if they could do it without—what does it mean?

Mr. KING. Well, it may mean one thing to one man, Mr. Walsh, and another to another. To me it means honorable business. That is what I understand by sound finance—honorable and intelligent business—not "high finance."

Chairman WALSH. It does not mean any ultimate financial result of any sort—"sound finance"?

Mr. KING. Well, any dividends got in an improper way I should say would be unsound finance. The only thing that would be sound finance would be finance that would stand the light of day and publicity to the fullest degree.



Chairman WALSH. And that would include proper treatment of workmen and proper discharge of all the duties that were imposed upon the owner of the industry by the responsibility which comes through the thing he undertakes?

Mr. KING. Absolutely; and I would begin with the consideration of the workers, for industry can not be run without labor being considered. It ought to be the first consideration and should not be the last.

Excuse me for getting off the subject. I was asked to come down in that way to advise with these interests as to whether a course of studies on these problems would likely be of any service if undertaken by the foundation. I did not know when I received the letter from Mr. Greene that it was with reference to Mr. Rockefeller's business, one way or the other. I did not know of the existence of the Rockefeller Foundation when I received this communication. When I came to New York I found it was to meet Mr. John D. Rockefeller, jr., Mr. Murphy, and Mr. Greene, they all being members of the Rockefeller Foundation.

We went to Mr. John D. Rockefeller, jr.'s house, and Mr. Rockefeller spoke to me about the advisability of a course of studies on industrial relations; whether I thought it could lead anywhere and be helpful. I told him I most certainly thought it could. Then he asked me if I could suggest to him names of men helpful in undertaking work of that kind. As I had not known what would be talked about, I said that would have to be considered, but I mentioned several names. I mentioned, I think, six or eight names, and among others one gentleman, a member of this commission, and also, among others, Mr. Neill, former Commissioner of Labor of the United States; Sydney Webb, of the old country; and a few other persons identified prominently with the study of industrial problems. I said I thought any of those persons would be capable of undertaking work of this kind. Then Mr. Rockefeller questioned me at some length as to wherein I saw the possibilities of good resulting from impartial studies on economic questions, and I gave him my opinion. I was simply consulted as one to give an opinion. Then he spoke to me about the situation in Colorado.

Chairman WALSH. That was the first interview?

Mr. KING. The first interview, yes. He said, "I will explain to you why I am asking this question, now, and why I am asking your advice. This situation in Colorado has brought home to me"—I am not using his exact words, but this is the substance of it—"has brought home to me an aspect of the industrial trouble that I had never comprehended to the degree that I now comprehend. The situation out there where men and women have lost their lives has suggested to my mind that there should surely be some way of settling industrial differences other than by means of strife of this kind which causes loss of human life and loss of property and all this unrest." And he said, "I want to use, if I can, to use some of my wealth to make that kind of thing impossible in the future; and that is my reason for asking your advice on this matter." Perhaps I should—I suppose the reason he sent for me—one reason may have been the same reason that this commission asked me to come. As far as I know, I am the only one from Canada the commission has invited to appear before it.

Chairman WALSH. Yes; you are the only one.

Mr. KING. I was for eight years the deputy head of the department of labor and for two years minister of labor in the cabinet.

Chairman WALSH. Another reason is that you had something to do with the Canadian industrial disputes act, as the author of it, and—

Mr. KING. Yes; and with several pieces of legislation on industrial questions; and I felt that Mr. Rockefeller's purpose in asking me was to give him honest advice, so far as my experience would enable me to give it, as to the benefits that would come from studies of that kind. So, then, when he spoke of the Colorado situation he said, as nearly as I recall it, this: "The present strike, I don't see that I can ask your opinion on it. That is a matter that the operators are dealing within Colorado themselves. The question, as I understand it, is the question of the recognition of a particular union, and the operators in Colorado have taken a stand on that matter; and as long as the question remains one of union recognition, I suppose the struggle will go on." I am not giving you the exact words, but the substance.

Chairman WALSH. Yes; that you could never do anything in that line?

Mr. KING. As he understood it, the operators had made up their minds that they would not concede recognition of the organization. He said that industrial peace in Colorado might be restored if, in the industry there, some scheme were

worked out whereby there could be representation by the men themselves to the higher authorities in the industry in regard to matters pertaining to their living conditions and grievances and all—

Chairman WALSH (interrupting). Who was it said that?

Mr. KING. Mr. Rockefeller said that.

Chairman WALSH. That is, Mr. John D. Rockefeller, jr.?

Mr. KING. Yes.

Chairman WALSH. Was his father there?

Mr. KING. No; his father was not there. I think he said—that may have come either after or before a remark of mine—when he asked me if I had any opinions on the Colorado situation. Well, as I remember it, I said I had not followed it closely, but that if it were like other troubles I had had to do with, I should imagine it was the result of the men not being able to find adequate expression for the grievances they had and that probably there were a number of officers who were arbitrary in their conduct, and the mass of men under them had resented treatment of that kind. Then he said, "What method would you adopt under the circumstances to try to improve those relations?"

Chairman WALSH. Then it was you suggested, and not Mr. Rockefeller?

Mr. KING. Suggested what?

Chairman WALSH. This plan you speak of. I thought you said Mr. Rockefeller asked you if such and such and such were the case, such could not be done?

Mr. KING. Well, as I say, the order of the conversation I don't exactly remember; but I was the one who developed the plan.

Chairman WALSH. Did he suggest it first?

Mr. KING. No; he did not suggest the plan first. I was the one that suggested or outlined a first plan.

Chairman WALSH. What was it you started to say that Mr. Rockefeller said, couldn't you do this and do that? Maybe I misunderstood you, I will let the stenographer read that. I thought you said Mr. Rockefeller suggested—

Mr. KING (interrupting): Well, the point of the suggestion, Mr. Chairman, is—it is perfectly clear in my mind what did take place. If I said Mr. Rockefeller suggested a particular plan, or had a particular plan, and that that was at the outset, I am wrong in that, because I made the suggestion myself.

Chairman WALSH. If you will excuse me a moment, I am going to ask the stenographer to go back and read what you said Mr. Rockefeller said to you. (Here the stenographer read as follows:)

"He said, 'I will explain to you why I am asking this question, now, and why I am asking your advice. This situation in Colorado has brought home to me'—I am not using his exact words, but this is the substance of it—'has brought home to me an aspect of the industrial trouble that I had never comprehended to the degree I now comprehend. The situation out there where men and women have lost their lives has suggested to my mind that there should surely be some way of settling industrial differences other than by means of strife of this kind which causes loss of human life and loss of property and all this unrest.' And he said, 'I want to use, if I can, to use some of my wealth to make that kind of thing impossible in the future, and that is my reason for asking your advice on this matter.' Perhaps I should—I suppose the reason he sent for me—one reason may have been the same reason this commission asked me to come. As far as I know, I am the only one from Canada the commission has invited to appear before it.

"Chairman WALSH. Yes; you are the only one.

"Mr. KING. I was for eight years the deputy head of the department of labor and for two years minister of labor in the cabinet.

"Chairman WALSH. Another reason is that you had something to do with the Canadian industrial disputes act, as the author of it and—

"Mr. KING. Yes; and with several pieces of legislation on industrial questions; and I felt that Mr. Rockefeller's purpose in asking me was to give him honest advice, so far as my experience would enable me to give it, as to the benefits that would come from studies of that kind.

"So, then, when he spoke of the Colorado situation he said, as nearly as I recall it, this:

"The present strike—I don't see that I can ask your opinion on it. That is a matter that the operators are dealing with in Colorado themselves. The question, as I understand it, is the question of the recognition of a particular union, and the operators in Colorado have taken a stand on that matter; and as



long as the question remains one of union recognition, I suppose the struggle will go on.' I am not giving you the exact words, but the substance."

Chairman WALSH. Well, unless you have not gone far enough back, Mr. Reporter, I must have been mistaken.

Mr. KING. My purpose in putting that in—there is a tendency in some of the questions to imply that there may be special reasons for people being invited and being asked questions, and I want to make it perfectly plain that there was a certain motive in Mr. Rockefeller's mind, which was to get some one of experience in these questions.

Chairman WALSH. The point was, I understood you to say, Mr. Rockefeller suggested to you to get that plan in Colorado. Now, did he?

Mr. KING. Get that plan?

Chairman WALSH. To work out a plan in Colorado that might establish industrial peace and in their own industry.

Mr. KING. Well, as I remember it, he asked me if I could suggest anything or any plan that would be helpful. Yes, he did ask me that.

Chairman WALSH. Yes.

Mr. KING. Yes; that is quite right. Then I turned to give my views, having regard for the premise he had laid down in regard to the situation there. That was the substance of the conversation in the morning. Now, if I have made myself clear, I was asked to go down simply to advise whether a course of studies might be taken—

Chairman WALSH (interrupting). You came in response to this [referring to the extract of letter from Mr. Greene to witness, of date June 3, 1914, heretofore read]?

Mr. KING. Yes; it recites it there.

Chairman WALSH. And no other reason?

Mr. KING. No, sir. But you asked me at the outset whether my conversation with Mr. Rockefeller had relation to employment with the Rockefeller Foundation. My answer is, no.

Chairman WALSH. Your answer is that you came down in response to the extract from this letter?

Mr. KING. Yes; in answer to the request contained in this letter; and I gave my advice and then returned to Ottawa. I later received a communication from the Rockefeller Foundation asking me if I myself would undertake those studies. I had no more thought of having anything to do with changing the course of work I was at at the moment than I had of flying.

Chairman WALSH. Had you given your views about Colorado and how you thought the thing might be worked out?

Mr. KING. As to what plan might be adopted?

Chairman WALSH. Yes.

Mr. KING. I outlined a plan there.

Chairman WALSH. Go ahead; and then they wrote to you.

Mr. KING. Yes; and asked if I might—or rather would I undertake this course of studies myself. Well, I have to insert this personal matter because it explains my actions. I was at that time connected as president of the Ontario Reform Association, a liberal political organization of Canada; and we were fighting the provincial campaign, and I had an engagement to speak every night for, I think, a month; and when I received this communication I had to reply that I could not give any thought to this matter one way or the other for a month, or until these engagements were over. I think I received another communication asking if I could not come down just for an informal conference. Well, the only arrangement I could make was to come down on a Saturday and spend Sunday and return for my meetings on Monday, which I did about the 23d of June. That was the time that I went out to Tarrytown, it being Sunday. I went out and met Mr. Rockefeller at Tarrytown. Mr. Murphy met me when I arrived at New York and we went out together—

Chairman WALSH (interrupting). Before we get to the Tarrytown conversation—now, in this first conversation did you make a suggestion to them that perhaps proper representation might be gotten by recognizing the union to the extent of conferring with them or even entering into contractual relations with them?

Mr. KING. As far as the union was concerned, I was told before I began to discuss that part of the situation, that the question of union recognition was a question the mine managers of Colorado had a policy on, and Mr. Rockefeller was not going to interfere.

Chairman WALSH. So whatever you did out there had to be something other than recognition of the union?

Mr. KING. No; that was not the suggestion I got; but—

Chairman WALSH. No; but any plan you might make for the situation in Colorado had to be something other than recognition of the union.

Mr. KING. Understand, what Mr. Rockefeller spoke of then was a plan that would help to bring industrial peace at that time, notwithstanding the position that the operators had taken in Colorado.

Chairman WALSH. Yes; whatever plan you got up could not include in it the recognition of the union in Colorado in this trouble.

Mr. KING. Well, it is quite conceivable that the plan that I suggested then—there was nothing in it whereby, if a company cares to grant recognition to a union, it should not be granted through this plan just as well as any other. In fact, the whole plan is a plan of representation.

Chairman WALSH. Well, but when you started on your plan it was with the understanding given you by Mr. Rockefeller that the executive officers had already passed on the question of recognition of the union, and that they would not recognize it?

Mr. KING. As far as that trouble was concerned; yes—as far as that trouble was concerned.

Chairman WALSH. Now, then, when you got to Tarrytown?

Mr. KING. Well, when I got to Tarrytown the position I took was this: I had had two or three weeks to consider the matter, and I had come to the decision that I would not accept the position that was offered to me if it meant that I would have to give up my interest in public affairs in Canada. I am not in Parliament—

Chairman WALSH. Were you holding any official position in Canada at that time?

Mr. KING. No; I was not in Parliament at that time, but I had accepted the nomination of the liberals of North York, one of the constituencies of Canada, to be their candidate at the next election.

Chairman WALSH. When was that election to be held?

Mr. KING. That is for the present Government to decide. They have not dissolved Parliament yet. As soon as they dissolve—I expected they were going to dissolve a few days ago, but they have not. They can dissolve any time, but when they do, I am going right back to contest that riding, no matter where I am.

Chairman WALSH. Proceed.

Mr. KING. I said when I came down, "There is no use of my considering this if it means my giving up my interest in public affairs in Canada."

Another thing I said was—this was in June that we had this conversation—that I could not think of entering upon the work until October. The only person I had spoken to or intimated to what had come in the way of this proposition was Sir Wilfrid Laurier, in whose cabinet I was; and when I spoke to him, he said he proposed to make a tour of the Dominion—the last political tour he probably would make through the whole of Canada, and he was kind enough to say that he would like me to be a member of his party and go with him and that he intended to make the trip during July, August, and September. And I said at once, certainly, that I would not think of taking up this work until that was over. And I mentioned those two features when I came down, that I could not consider this proposition if it meant entering upon work before October, nor could I consider it if it meant giving up my interest in political affairs in Canada. And I must say that I did not expect when I put the proposition that way that it would be accepted. So that any advice I gave, Mr. Chairman, in regard to any plan out in Colorado was not with a view of getting any position with Mr. Rockefeller or anybody else. I simply took the position that I always have taken with people.

Chairman WALSH. When you gave them the plan, did they seem to like it or assent to it or agree that it might be a pretty good thing?

Mr. KING. When I gave the plan I gave it verbally and there were no expressions of opinion one way or the other on it. And in regard to the plan I gave or suggested, nothing was said of that plan in the interview with Mr. Rockefeller, sr. That was the first interview.

Chairman WALSH. Was Mr. Rockefeller present at the first interview?

Mr. KING. No; he was not.

Chairman WALSH. Had you ever met him until you went to Tarrytown?



MR. KING. No; I never met him until I went to Tarrytown. And I had had the offer, Mr. Chairman, as to entering upon this work before I had seen Mr. Rockefeller, sr., at all. I would like, if I might, just to place on record what I said as nearly as I can remember in regard to the plan I had in my mind.

Chairman WALSH. In the first interview?

MR. KING. In the first interview—I was asked subsequently if I would repeat it in writing, and I did. I would like to put that plan into the record.

Chairman WALSH. I see. Proceed.

MR. KING. Well, as nearly as I can remember, the exact words were, could I suggest the "construction of machinery which will afford opportunity of easy and constant conference between employers and employed with reference to matters of concern to both."

Chairman WALSH. Pardon me. What are you reading from?

MR. KING. A printed document that I had printed for my own convenience.

Chairman WALSH. I know; but is it an issued or published document?

MR. KING. No; it was not issued as a public document. I will tell you the exact nature of this, Mr. Chairman. During the hearings of the commission in New York there was a letter I had written to Mr. Rockefeller read into the testimony. I thought, as I listened to the questions there, that a very unfair inference was being drawn from a certain paragraph. I am a man in public life, and I have to protect my reputation. I do not care what any particular individual may say, but I do care as a public man what inferences are drawn from my letters and utterances. So when I thought an unfair inference was being put upon part of my letter, I had the letter printed in full with the explanation of the circumstances under which it was written.

Chairman WALSH. Were those circulated?

MR. KING. No; not circulated; but I had them ready, because—I will explain absolutely the reason in my mind. One of the gentlemen who testified before that commission—I will not mention his name at the moment—drew inferences—there were others also who did—that I thought were unfair. Now, that part of the inference was telegraphed to Canada and published by the opposition press of that country with a view to doing me political injury. I don't know that it was so intended by anyone—any individual—but you understand when a man is in political life his enemies take advantage of anything. An unfair inference was drawn and unfair statements and false statements made concerning some part of this communication and were telegraphed and inserted in the Conservative press—a large part of it—from one end of Canada to the other.

Chairman WALSH. From New York?

MR. KING. From New York; and when I got back from New York I was charged—it was charged that I, who had been representing labor in Canada for years, had sold out, or something to that effect; and I expect when I take up my next political contest to have to face such problems as may come from false inferences, and so I printed the documents to have them ready to circulate if that subject is brought up.

Chairman WALSH. And that is one of the documents?

MR. KING. That is one of the documents; yes, sir.

Chairman WALSH. You can quote from it if it is all right and does not interfere in any way. If you think it does not interfere in any way, you may quote from it.

MR. KING. Well, I will give you my version even if it is not all right. When my contest might come on I wanted to be prepared. I did not want any man to get up and cite these false statements. I want to show the statement of the facts. Now, this is the record of the thing. I was asked—as I say, the strike was on at the time and the company had taken the position that they would not yield to the question of union recognition. The men, as I understand, had taken the position that they would not drop the strike as long as that point was not conceded. And I was asked in the interval if I would or could suggest the construction of machinery which would afford opportunity of easy and constant conference between employers and employed with reference to matters of concern to both, such machinery to be avowedly constructed as a means, on the one hand, of preventing labor from being exploited and, on the other, of insuring that cordial cooperation which is likely to further industrial efficiency. That is the substance of it.

Chairman WALSH. Wait a moment. How does that go, again?

Mr. King (reading): "The construction of machinery which will afford opportunity of easy and constant conference between employers and employed with reference to matters of concern to both, such machinery to be avowedly constructed as a means, on the one hand, of preventing labor from being exploited and, on the other, of insuring that cordial cooperation which is likely to further industrial efficiency.

"Granting the acceptance of the principle outlined, the machinery to be devised should aim primarily at securing a maximum of publicity with a minimum of interference in all that pertains to conditions of employment. By this I mean that the hope of establishing confidence between employers and employed will lie more in a known willingness on the part of each to confer frankly with the other than in anything else. Similarly the avoidance of friction likely to lead to subsequent strife is likely to be minimized by agencies which will disclose the existence of irritation and its cause at or near inception; trouble most frequently follows where ill feeling is allowed to develop unknown or unheeded.

"A board on which both employers and employed are represented and before which at stated intervals questions affecting conditions of employment can be discussed and grievances examined would appear to constitute the necessary basis of such machinery. The size of this board and whether there should be one or many such boards would depend upon the numbers employed, the nature of the industry, and whether or not the work is carried on in one or several localities."

I had not been in Colorado and did not know anything about the geography of the State nor of the mines.

Chairman WALSH. This was a plan you suggested in your first interview?

Mr. KING. Yes; and in the dark.

Chairman WALSH. At Mr. Rockefeller's house?

Mr. KING. Yes. [Continues reading:]

"Where, for example, there are different mines or refining plants as well as mines it might be that boards pertaining to each individual concern might be combined with provision for reference to a joint board covering the whole industry or group of industries to which matters not settled by smaller boards might be taken for further discussion and adjustment.

"In determining the character of representation on such boards, broadly speaking, a line might be drawn between those who are 'paid salaries,' on the one hand, and those who 'earn wages,' on the other. This is very rough and very general, for there are in some industries a class of petty bosses whose interests may appear to identify them more closely with wage earners than with salaried officials, but, broadly speaking, men who have authority to give orders and to direct operations fall into the salaried class, while men who have no authority to direct others and whose own work is subject wholly to direction fall into the category of wage earners. The selection of representatives on such boards should be made at a meeting or meetings of employees called expressly for the purpose. It might be left optional for the employees to say whether they desired a permanent form of organization of which their representatives on a board would be the officers or whether they would prefer the selection of individuals at stated periods without reference to any permanent form of organization. It could also be left optional with the workers themselves to say whether they wished to allow representatives so chosen a salary in payment of their services or whether such service would have to be voluntary. A company might, with propriety, offer to provide the place of meeting for the boards and possibly go the length of supplying the employees with permanent office accommodation for their representatives, leaving it, however, to the employees themselves to provide whatever might be necessary in the way of salaries and expenses in the keeping up of such offices.

"It would not appear desirable at the outset that these boards should have anything to do with benefit features. They should not be framed with a view of restricting through possible benefits the liberty of any man as respects the continuance of his employment, but should aim primarily at affording a guarantee of fair play in determining in the first instance the conditions under which men would be obliged to work and the remuneration to be paid and, secondly, the carrying out of these conditions in a spirit of fair play."

Chairman WALSH. Are you not reading from the letter introduced in evidence? It is familiar.

Mr. KING. It is familiar. I was asked by Mr. Rockefeller to give the substance of it in writing.



Chairman WALSH. You are reading from the letter?

Mr. KING. Yes; in the letter I give the substance of the conversation.

Chairman WALSH. The plan you proposed to Mr. Rockefeller the first time you ever had a talk with him was that the men selected to prevent the grievances should be men actually inside the industry and not called from the outside. Is that correct?

Mr. KING. No.

Chairman WALSH. Let me look at it please. [Reading:]

"This would make it an essential that all members of such boards, excepting possibly persons chosen as chairmen, referees, or umpires, should be persons actually employed in the industry or connected with it in some way, not persons chosen from outside."

Mr. KING. Yes; what is your question?

Chairman WALSH. My question is that this presupposes that very thing.

Mr. KING. What very thing?

Chairman WALSH. That it was an essential that all members of such boards, excepting possibly persons chosen as chairmen, referees, or umpires, should be persons actually employed in the industry, or connected with it in some way, not persons chosen from outside?

Mr. KING. If they were to be representatives on boards of industry, certainly.

You remember there were certain limitations laid down I tried to have regard for in giving advice, and how, within the industry itself, certain boards could be constituted.

You do me a great injustice—I want to make this plain—you do me a great injustice if you try to infer that this was any attempt not to recognize the union or any attempt to evolve machinery which would prevent the union getting recognition.

Chairman WALSH. That is what I am asking you as directly as possible; under that could these men have chosen Frank J. Hayes, or Mr. McLennan, or any other of the members of the United Mine Workers of America?

Mr. KING. Mr. Chairman, you are a lawyer; when you are called in to advise in regard to a particular situation, you advise with regard to the situation put before you. I was, as an expert, asked to advise as to a particular situation, and I took the situation as presented to me, and I gave advice within the restrictions placed upon me. Any attempt to construe that advice to in any way show prejudice against labor unions is something I think would be dishonorable in the highest degree, and I want to make it most emphatically plain, both for my own sake and for—for the sake of my own reputation and for the sake of the reputation of this commission, that any effort of that kind is doing one of the greatest acts of injustice to any man that can possibly be done.

Chairman WALSH. So the parallel you wish to draw is that you went into that as an expert like I should have gone into it as a lawyer, to take the conditions as presented by the directors of this Rockefeller Foundation, and give my opinion, having those conditions in mind with those limitations?

Mr. KING. The way I went into it is the way I go into anything else—

Chairman WALSH (interrupting). You can answer that; you went into that as you say I should have gone into it as a lawyer, or any man should have gone into it as a lawyer; you took the limitations given by the persons employing you and gave them a plan along the lines drawn by those limitations—

Mr. KING. Let me tell you—

Chairman WALSH (interrupting). Listen, I am not going to infer anything, but I am going to ask you a direct question each time, and I will give you an opportunity to say yes or no, and you can make any explanation you please.

Mr. KING. I shall make my case as I think best and leave it to the public to determine between us.

Chairman WALSH. We will have to leave it to the commission to judge.

Mr. KING. No; I am speaking now in a country which I believe believes in fair play and decency, and I have seen witness after witness on this stand put in a position I think disgraceful.

Chairman WALSH. You do not like the way the hearings are conducted in this country?

Mr. KING. Not in this country, but in the interests of labor I protest against the way you carry them on. I make that very plain, and I think the other members of your commission take that stand.

Chairman WALSH. You think a mistake was made by the Government in selecting the instrumentalities they have adopted to inquire into the causes of industrial unrest, a part of which is to inquire into the relationship between the parties in Colorado?

Mr. KING. You may seek to excuse yourself in that way and make the Government—

Chairman WALSH (interrupting). I am not seeking to excuse myself at all.

Mr. KING. I think this hearing should be conducted in a way to appeal to fair men, and I do not think it has been, and I protest against the unfair way in which you are conducting this hearing.

Chairman WALSH. You exclude the rest, but do not like my way?

Mr. KING. I do exclude the rest, and I think they have been put in an embarrassing position by the way you are conducting the hearings; and I protest as to the way of examination of Mr. Rockefeller with reference to his responsibility in what took place in Colorado.

Chairman WALSH. Because you heard Mr. McCorkle testify your employer should be brought back there and have a trial and go to prison?

Mr. KING. No; I have followed your questions since you started this investigation.

Chairman WALSH. Oh, you have not been satisfied from the start with the way I conducted it?

Mr. KING. I do not think it will make it any plainer to go further.

Chairman WALSH. I am following this out from the remarks you made; you did not like it from the very start the way I have conducted the hearings?

Mr. KING. I regret it deeply, from the standpoint of labor, and anybody that wishes labor as much good as possible does so. This is a commission that has a possibility of rendering one of the greatest services to industry, and I regret that it has been managed in such a way that I fear such possibilities are gone.

Chairman WALSH. What salary do they pay you?

Mr. KING. That is a matter you do not have a right to inquire into. I was asked if I would undertake this work for a period of years. I said I would not, that all I would undertake to do was to take it for a year; that I wanted to be perfectly free at the end of a year to terminate my arrangement with the Rockefeller Foundation if I did not see it was going to give the opportunity for the practical results I wanted to get. I made an undertaking with them on that basis, with that understanding, and they asked me to take it for another period of time, and I refused, and I made the further stipulation that if by any chance an election should be brought on in Canada, I should resign before that time. I think under those circumstances the public would hardly expect me to answer what particular remuneration I am receiving.

Chairman WALSH. You may decline to answer that; but we have to put that question to other witnesses. If you do not care to tell what you are getting, very well.

Mr. KING. I think it is just as well that matters that are private should be kept private, unless they throw some light on the work of this commission. If you think I am the sort of man that is going to be influenced by the salary I receive, if you will say so, I will answer the question.

Chairman WALSH. I do not know the sort of man you are, but if you ask my opinion I will say that my experience in life, covering a good many years, is that a man who accepts remuneration from another man for work to be done naturally feels very much beholden to that man.

Mr. KING. That may be your way; it is not mine.

Chairman WALSH. Let me add to show my feeling on that point; you asked me that, you know, and I only answer because you ask—

Mr. KING (interrupting). The position I take is this; if I am returned to Parliament I shall serve in Parliament without remuneration from any source for the time I am there. I give up for the time I spend in political affairs in Canada every cent I receive from the Rockefeller Foundation. I believe politics to be the noblest of all callings, but the meanest of all trades, and I think that every man should be prepared to give some of his time in that way, and the question of salary and money is not a thing that enters into my mind in dealing with the public service.

Chairman WALSH. What do you say you are going to do with the money you get from Mr. Rockefeller?

Mr. KING. I did not say anything about that; I forego what I am getting for the opportunity of public service.



Chairman WALSH. If you go back to Parliament, you do not charge the Rockefeller Foundation, or do not continue your inquiry?

Mr. KING. For such time as I give up to public life, I receive nothing from the Rockefeller Foundation. Any time I give up to the public service I voluntarily forego my income.

Chairman WALSH. I ask the question directly: Is it a fact the suggestion you made to Mr. Rockefeller at his residence on the occasion of your first interview, presupposed that these boards that you mention should not consist in any part of the members of the national labor unions in the coal industry?

Mr. KING. No, sir; it did not. Every man on those boards might be labor-union men. And let me tell you this, when I talked to Mr. Rockefeller at that time, I remember distinctly of his stating to me that he had no antagonism toward labor unions as such, and he stated, as he did on this stand, that he believed labor had a right to organize as much as capital. I made it plain to him that I am a strong believer in trade-unions. The first thesis I wrote 20 years ago was on that subject.

When I take up matters of interest to labor, and I find there are certain limitations, and I can only get so much for labor, I take that. When I see a chance anywhere to advance the interest of labor, I do not forego that chance, because I can not get all I think I ought to; I take as much as possible; and if there are limitations laid down, I work within those limitations, for I believe the only service I can render is in that way.

Chairman WALSH. Did you have something more to say on that subject?

Mr. KING. No.

Chairman WALSH. Now, then, we get to Tarrytown.

Mr. KING. Yes, sir.

Chairman WALSH. Did you meet John D. Rockefeller, jr., between the time you met him in the first interview and the time you went to Tarrytown?

Mr. KING. No, sir; I never did.

Chairman WALSH. Did you communicate with any member of the Rockefeller Foundation or director of the Colorado Fuel & Iron Co.?

Mr. KING. No, sir; I did not communicate with any of them.

Chairman WALSH. What was the occasion of your going to Tarrytown?

Mr. KING. I had communicated by telegraph to try and arrange a meeting on Sunday, or something like that.

Chairman WALSH. A communication with regard to your proposed plans?

Mr. KING. No, sir; not a line.

Chairman WALSH. Now, who accompanied you to Tarrytown?

Mr. KING. Mr. Murphy met me in New York.

Chairman WALSH. Mr. Starr J. Murphy?

Mr. KING. Yes, sir.

Chairman WALSH. And was he at that time a director in the Colorado Fuel & Iron Co.?

Mr. KING. I think he was.

Chairman WALSH. You knew he was?

Mr. KING. I know now that he was; I didn't know then.

Chairman WALSH. Did he tell you at that time that he was a director?

Mr. KING. No, sir. Understand this, Mr. Walsh, that we were not discussing the Colorado Fuel & Iron Co. matters. We were discussing the advisability of beginning a course of study on industrial questions, at the interview that we had in Tarrytown.

Chairman WALSH. The first interview is embodied afterwards in this letter where you were getting up a plan that might be worked out in Colorado?

Mr. KING. I am speaking of the interview when I went to see Mr. Rockefeller, jr.

Chairman WALSH. Did you have another interview with regard to your proposed work with Mr. Murphy on your way to Tarrytown?

Mr. KING. You mean this proposed plan?

Chairman WALSH. Yes, sir.

Mr. KING. No, sir; never spoke of it. It was August before I was asked to put this plan in writing.

Chairman WALSH. But you had given in a verbal conversation that same plan in substance?

Mr. KING. This was the substance of it.

Chairman WALSH. In the first conversation you had?

Mr. KING. Yes, sir.

Chairman WALSH. Now, did you have any conversation with Mr. Murphy in his office, or on the way out to Tarrytown, with reference to what you were going to do?

Mr. KING. No, sir; I never talked on the way out with Mr. Murphy about that. I think I talked on the way out with him about the question of my undertaking this work, and, as near as I remember it, the impression I sought to give Mr. Murphy was the feeling I had in mind when I went out there, that I would not undertake it.

Chairman WALSH. Oh, you say the impression you gave Mr. Murphy, or the impression that you had in your mind on the way to Tarrytown was that you would not take the position?

Mr. KING. I came down not intending to take up these studies.

Chairman WALSH. And when was it you had not made up your mind?

Mr. KING. I said I am not going to give up participation in the public life of my own country, I have taken too active a part in its affairs, and I came down with the thought of saying that I would not take up this work, because I could not take it up until the middle of October, anyway, and I would not take it up at all if I had to give up my citizenship in Canada and my work there.

Chairman WALSH. We had that up earlier; now, when you were here, you were still of the opinion that you would not take up the position?

Mr. KING. Yes, sir; and I gave Mr. Murphy my reasons on the way out.

Chairman WALSH. Who did you meet there?

Mr. KING. Mr. Rockefeller, jr., first, I think, and then Mr. Rockefeller, sr.

Chairman WALSH. Was anybody present except you four at that conversation?

Mr. KING. That is all.

Chairman WALSH. At this point we will stand adjourned until 10 o'clock tomorrow morning.

(Thereupon, at 5 o'clock p. m., Monday, May 24, 1915, the commission took an adjournment until the following morning, Tuesday, May 25, 1915, at 10 o'clock a. m.)

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WASHINGTON, D. C., *Tuesday, May 25, 1915—10 a. m.*

Present: Chairman Walsh, Commissioner Harriman, Commissioner Weinstock, and Commissioner O'Connell.

Chairman WALSH. Will you please resume the stand, Mr. King.

#### TESTIMONY OF MR. W. I. MACKENZIE KING—Continued.

Chairman WALSH. Is the money that is being paid you by the Rockefeller Foundation being paid monthly or in one lump sum at the end of the year?

Mr. KING. I receive a monthly check.

Chairman WALSH. Do I understand you to say that your employment is simply for one year?

Mr. KING. That is the extent of my engagement at the present time.

Chairman WALSH. How long, now, have you been in Colorado?

Mr. KING. Let me amplify that, Mr. Chairman. The foundation expressed the hope that I would take up this work for a period of time. I was desirous of seeing what opportunities there were in it of accomplishing the practical results I hoped to be able to accomplish, and I felt it was quite as much in my interest as theirs that we should have a year's relationship before the term was made longer.

Chairman WALSH. Who proposed it should be just a year, Mr. King?

Mr. KING. I did.

Chairman WALSH. Had you inquired into any other investigations they had made in which they had undertaken studies, such as agriculture and things of that kind?

Mr. KING. No, sir.

Chairman WALSH. You do not know anything about it?

Mr. KING. No.

Chairman WALSH. You made some statements about the characteristics of young Mr. Rockefeller.

Mr. KING. Yes.



Chairman WALSH. I believe you stated you never met him until you went into this.

Mr. KING. Not until I met him at his house before I went into it.

Chairman WALSH. I mean when you were called down here for that purpose, was the first time you saw him?

Mr. KING. I was called down to advise with Mr. Rockefeller.

Chairman WALSH. You were called down for the purpose of seeing him in this regard?

Mr. KING. Yes; that was the first time I saw him.

Chairman WALSH. Had you made a study of the attitude of the Messrs. Rockefeller toward labor, and also their business history in the United States?

Mr. KING. No, sir; I had not.

Chairman WALSH. So all you knew about Mr. Rockefeller you gathered from the contact you had with him immediately prior to going into this work and in this work.

Mr. KING. From my personal acquaintance with him and the conversations I had with him, I formed my estimate of him.

Chairman WALSH. That was since the time you met him, and immediately prior to going into this work?

Mr. KING. Yes.

Chairman WALSH. Now, have you made a study in the field any other place except in Colorado?

Mr. KING. Colorado is the first part that I have taken in that regard.

Chairman WALSH. During our hearings in New York City, do you recall the labor disturbances at Roosevelt, N. J.?

Mr. KING. Yes.

Chairman WALSH. And the inquiry that was made into that—the short inquiry?

Mr. KING. Yes.

Chairman WALSH. And the fact was developed there that some of the bonds in this foundation, out of which this inquiry grew, was a part of the funds of the foundation?

Mr. KING. I believe it was stated that the foundation held certain bonds in that particular industry.

Chairman WALSH. Mr. A. Barton Hepburn, who is a director for the American Agriculture & Chemical Co., you knew was a director in this foundation?

Mr. KING. I know he is a director in the foundation.

Chairman WALSH. Were you present when he was examined on the witness stand before this commission?

Mr. KING. No, sir.

Chairman WALSH. Did you make any inquiry into the conditions at Roosevelt, N. J.?

Mr. KING. No, sir.

Chairman WALSH. Did the foundation make any inquiry into the conditions at Roosevelt, N. J.?

Mr. KING. No; not that I am aware of.

Chairman WALSH. It is within a very few miles of New York City, is it not?

Mr. KING. I believe New Jersey is; yes.

Chairman WALSH. Now, upon yesterday, you said something about it being your work to uplift the masses; was that the way you put it?

Mr. KING. No; I do not think so.

Chairman WALSH. What was your expression; what did you say about the masses?

Mr. KING. I do not think I mentioned the word.

Chairman WALSH. My recollection was you said it was part of your work to uplift the masses or uplift labor.

Mr. KING. I do not think you will find the words "uplift" or "masses" in my testimony.

Chairman WALSH. What was it you said, speaking of your general purpose?

Mr. KING. If you want to know my general purpose—

Chairman WALSH (interrupting). No; I want to know what you said yesterday; I want to go back to that and examine you a little on it.

Mr. KING. I do not recall the exact words; but if I make a statement with reference to my interest and purpose in labor it would amount to this: That whenever I see an opportunity to benefit the conditions of labor in any relationship in life in which I am placed I would endeavor to take advantage of that opportunity to do the most I can.

Chairman WALSH. That is, to help labor?

Mr. KING. To help the industrial classes; I think labor needs all the friends it can get.

Chairman WALSH. Do you think it needs all the friends it can get?

Mr. KING. Yes; it has many enemies.

Chairman WALSH. Now, are you working in this matter as a friend of labor?

Mr. KING. I hope I am.

Chairman WALSH. You believe you are?

Mr. KING. I believe I am, if I did not I would not.

Chairman WALSH. Have you ever done any work for the American laboring people prior to this time?

Mr. KING. Well, I went to England one year to get the British Government to enact a law which would make it an offense for anyone in the United Kingdom to publish representations which might lead to men being taken out of the country to Canada as strike breakers, or to come in to take the place of men on strike. That law applies to the United States as well as to Canada, and when you ask if I have rendered any service to the American workman I think that, perhaps, is one service I have rendered; that to-day there is a statute in Europe, which was the result of a conversation between Mr. Lloyd George and myself, which resulted in a statute which makes it illegal for any man to publish anything in a newspaper to induce labor to leave the United Kingdom and come to another country under false representations. That was aimed at the bringing in of strike breakers.

Chairman WALSH. Any other service you have done? Any other work for the American laborer?

Mr. KING. You mean the laborers in the United States of America?

Chairman WALSH. Yes, sir.

Mr. KING. It is my belief that the labor question is such that boundary lines are not a necessary condition; that if a man renders a service to labor in one country it is helpful in another country, and for the last 12 years I have been more or less identified with introducing measures which I think will prove beneficial to labor, not only in Canada, but elsewhere.

Chairman WALSH. Except in that indirect way, has there been any work which you have done in the line of helping laborers of the United States of America? That is, the indirect work that you have done in Canada, and the passage of the law which you referred to, which would prevent strike breakers from being brought from England?

Mr. KING. I would have to look over a part of my record.

Chairman WALSH. I wish you would.

Mr. KING. That bears specifically on that. I remember one thing that comes to my mind while I am speaking here. For a great many years men in this country have been endeavoring to get an act passed, or rather were endeavoring, that would put a stop to what is popularly known as "phossy jaw," to make a match without the use of phosphorous. That is, in order to stamp out a disease known as phosphorous necrosis. I was representing the Canadian Government at a meeting of the International Association for Labor Legislation in Lugano, Italy, and was asked there if, in order to help on the enactment of legislation in the United States and elsewhere, I would help to get such legislation passed in Canada. If labor is going to be permanently benefited in any one country, it is absolutely essential to have the standard raised all along the line. In other words, it is difficult to permanently raise a standard in one particular country. It was pointed out to me very specifically that an act passed in Canada would materially help all such legislation in every other country of the world. I returned to Canada and I was minister of labor at the time, and I asked the officers of the department to help me draft an act that would stamp out this particular disease. There were several match factories in Canada and some of them were using phosphorous in the making of their matches. One of the officers brought me a report which, to my mind, was particularly shocking. It mentioned where one woman in this industry had lost her jaws from the effects of the disease, but was still living in a city not far distant from Ottawa. I said this thing is so shocking I shall verify it for myself, and I went to the homes of these people and saw the conditions. I talked with the sufferers of the disease, and I came back and insisted that the law be drafted as strongly as it was possible to have it drawn. I went into Parliament and introduced that measure and stated what I had seen myself. I pointed out the international significance of a measure of that kind, and that measure is law in Canada to-day. I got it through the first reading, through



the House of Commons, and then Parliament was dissolved on account of the late reciprocity election, but my successor took the bill I had introduced and carried it through the house at a subsequent session. I contend that that measure would not have been enacted if I had not taken the position I did, and I think that American labor will be the first to say that it was a benefit to them.

Chairman WALSH. So, in that indirect manner, you think you have benefited labor?

Mr. KING. I would say in that direct manner.

Chairman WALSH. I am referring to the laborers of the United States.

Mr. KING. Yes, sir; and I think the laborers of America would be the first to say I had rendered them a service by doing that.

Chairman WALSH. But when it comes to a question of benefiting labor, would you let them say whether they were benefited or not?

Mr. KING. Most assuredly.

Chairman WALSH. You do not believe in that school of philosophy that believes in doing things for labor that they do not want to have done for them?

Mr. KING. No; but I find among men who take an interest in labor such a diversity of opinion as to what is in the interest of labor. I mean, take the labor groups themselves. You have had before this commission men who style themselves as anarchists and Socialists and trade-unionists—

Chairman WALSH. Who actually worked, outside of the doctrinaire?

Mr. KING. Yes, sir; the men that actually worked.

Chairman WALSH. Such as Mr. Johannsen?

Mr. KING. I don't wish to specify the names.

Chairman WALSH. You have heard or read about a number of them, that actually work?

Mr. KING. Yes, sir. In regard to these men that work, they hold different views; they are all equally sincere, and if there is anything in their point of view which is sound and substantial, and that will ultimately make for good, my feeling is that element will prevail.

Chairman WALSH. Take the trade-unionists alone, are you a believer in giving the organized trade-unionist movement what they want in the way of help, regardless of their own desires?

Mr. KING. Excuse me a minute; I should like to finish the question as to the service I have rendered to labor.

Chairman WALSH. All right, I will come back to that. That question would logically go first.

Mr. KING. I think I may take credit to myself for having, under the direction of the then existing postmaster general, established the department of labor in Canada. There was no such department until I suggested it, and having been the one who suggested that the Government of Canada should establish such a department, I was given the duty of establishing it. That department has been in existence for 14 years. It has published each month during that time a publication known as the Labor Gazette. I wrote every line of the first number myself, I chose the style of type, and read the proof of it, and each step of the work as it followed in that department while I was deputy minister I either directly initiated or helped to initiate it.

I take it that the statistics of one country are of service to another, to help to raise the standard of labor in one country is to help to raise it in any other, and if the department in Canada has rendered any service to the laboring people of that country, it has also helped to render service to this country and all countries. You asked my service to labor.

Chairman WALSH. What I was trying to get at was whether you had any particular job in this country, for instance, like you are doing for the Rockefeller Foundation. We have taken into account what we received from the Rockefeller Foundation in reply to an inquiry which you made, that you hold in your hand there; that is, your activity in Canada and other places, and unless you desire to do so, I would not care to have you go over it again, all that you have done in Canada. We have taken that into consideration. What I was directing your attention to was any job that you did in the United States of America to help labor—that is, the country itself?

Mr. KING. If you are prepared to concede the point that I make—

Chairman WALSH. I concede the point; that is, what was really done for labor in one country applies to all, that it is an international problem, a world-wide problem.

Mr. KING. Then I am glad to leave my record on the labor matters in Canada and to stand on that record of the 10 years I was deputy minister and in the cabinet.

Coming back to your other question of work in this country, I was at the University of Chicago in the year 1896, and in the winter of 1896 I took up postgraduate study in economics. During that time I lived at Hull House, attended the university, and spent that winter making a study of trade-unions and trades-union movements.

Chairman WALSH. What trade-union movements did you study specifically?

Mr. KING. A particular study of the International Typographical Union.

Chairman WALSH. Any other?

Mr. KING. I made some study of the bricklayers' union.

Chairman WALSH. As an expert, did you indorse their form of organization?

Mr. KING. Just a minute until I answer this other question first. These studies I subsequently drafted in the form of a thesis, which don't amount to much in the light of the knowledge I have to-day—this was 20 years ago—but I think if you will read the article that appears in the Journal of Political Economy of that year—

Chairman WALSH. What year was that?

Mr. KING. 1896, I think, or 1897.

Chairman WALSH. Just give a better reference to it. Of course, I did not notice it at the time; I was not interested in these subjects.

Mr. KING. It has been given in the record that was given to the commission; if you had read that you would have seen it.

Chairman WALSH. I did read it, but I could not carry all of the details of your activities in my mind. I can find it in there?

Mr. KING. Yes, sir; there was an article on the history of trades-unions in the United States, and a study on trades-unions in an article on International Typographical Union.

Then, the next year I went to Harvard and pursued my studies of economics, and during the summer of that year—I was working my own way through college, Mr. Chairman—I received a scholarship and fellowship which helped me, but apart from that I had to earn all I had in order to get through post-graduate studies. I put in that summer in the city of Boston preparing a report for the consumers' league on the hours of working women in the shops and stores. I understand that report was made the basis of legislation subsequently enacted by the Massachusetts Legislature.

Chairman WALSH. To whom was the report made?

Mr. KING. To the consumers' league. I was engaged by the consumers' league to make that report. I spent that summer gathering data on that subject. The report is in existence. As I say, I do not think it is an elaborate study, but I was led to believe at the time that it was of some service.

You asked me again as to American labor direct. One year I was appointed chairman of a commission to inquire into the conditions of operatives in the cotton mills.

Chairman WALSH. By whom?

Mr. KING. By the Canadian Government. During that time I visited the cotton mills in New England and studied conditions there.

Chairman WALSH. How did you find them?

Mr. KING. My report will speak for itself.

Chairman WALSH. Could you epitomize it in a broad general way?

Mr. KING. No; I could not epitomize it.

Chairman WALSH. All right; go ahead.

Mr. KING. That report that I presented to the Government of Canada was made the basis—

Chairman WALSH (interrupting). Is that referred to and set out in your statement?

Mr. KING. I think it is. It ought to be, if it is not. [After examining document.] Yes; it is. The result of that report was to bring about a reduction in the hours of labor of children employed in the factories in the Province of Quebec. I have been informed—I can not say whether rightly or wrongly—that the legislation of Canada in that particular has been of some service to operatives in the cotton mills in this country. That may fall within the indirect category that you speak of, but I did some of the work in connection with it in this country.

Then, as you know, we have had, in common with the people of this country, the problem of dealing with oriental labor. I was chairman of a royal commission that inquired into the conditions, or the circumstances, rather, which induced labor to come to this continent from Japan, China, and India. I was sent by the Government of Canada to India to negotiate with the Govern-



ment of India an agreement which would help to put a stop to migration of Indian labor to this continent. I think the result of what was done at that time—I think the agreement made then is working out very satisfactorily. I think the migrations from India have been practically stopped so far as any have been made to Canada. Canada being a part of the British Empire, the problem was a little more delicate than the problem of legislating direct in this country would have been. Inasmuch as I think on the coast they will tell you that Chinese and Japanese and Indians try to work their way down into this country through the Dominion, if it has been possible for the Canadian Government to stop this oriental labor coming to Canada as a part of this continent, a service has been rendered to American labor in that particular in a very direct way.

Chairman WALSH. Did you do some of the work on that in the United States, or was that under your appointment by the Canadian Government?

Mr. KING. Yes; I must thank you for reminding me of that, Mr. Chairman. I went down to California and discussed that matter with several persons there, because the problem was the same, and I do not think I violate any confidence if I say that I was invited by Mr. Roosevelt to come to Washington and confer with him in regard to that subject, and that I took up at his request certain matters pertaining to oriental immigration for this country with the British Government. More than that I am not at liberty to say just now, but I think I rendered American labor a big service in that connection.

Chairman WALSH. What was the date of that?

Mr. KING. That is not in this record, because up to a certain point I have regarded that matter as a confidential matter; but Mr. Roosevelt himself referred to it publicly in New York after the last Canadian election. He made some reference to my own position in Parliament there, and he spoke along the lines I have just mentioned in speaking of this matter, so I do not think I am betraying any confidence.

Chairman WALSH. What is the date of it?

Mr. KING. I see another matter here to which I must refer, too. That was in 1908, Mr. Chairman. It was the same year I went to England to confer with the British Government in regard to immigration from India. I notice here a reference to the opium commission that met at Shanghai in China.

Chairman WALSH. You say you would not like to go into the details of that matter with President Roosevelt any further?

Mr. KING. I will be very glad for Mr. Roosevelt to make his statement, of course.

Chairman WALSH. I thought you said he had made some statement to the public that you felt rather unsealed your lips in the matter?

Mr. KING. He has given a statement which is ampler than the one I have just made, because I have the interview myself. I saw it in the paper after it was brought to my attention.

Chairman WALSH. I will ask you if that was at the time that a general order was made with reference to the getting of Asiatics into the country—

Mr. KING. Or keeping them out?

Chairman WALSH. Yes; keeping them out.

Mr. KING. That is more like it—keeping them out. It was at that time, I think. It was in 1908. You can fix it by that year.

Chairman WALSH. 1908?

Mr. KING. Yes; 1908. When I was inquiring in British Columbia into the conditions under which Japanese, Chinese, and Hindus and others had come to our country, with a view to helping to direct legislation to prevent their competition with Canadian labor and bringing down the standards of labor there, I found that the Chinese—that is another feature I should remember—there were riots in the country, and the Chinese and Japanese quarters were pretty well torn to pieces in sections. The Government appointed me commissioner to assess the losses that had taken place and to pay the Chinese and the Japanese for the damages which had been done. I had sole charge of that, and assessed the losses and made such payments as I thought proper. Then I took up the larger subject of the immigration to this continent and followed it subsequently by a visit to the Orient. While I was investigating this matter the Chinese put in a claim for loss to the opium traffic. This came somewhat as a surprise. I said, "Surely, you have not the right to produce opium here. How do you expect the Government of this country to compensate you for loss in it?"

Chairman WALSH. That is, the Canadian Government?

Mr. KING. Yes. You will see the bearing of my question in a minute. They said there was no law against it, and I found they were perfectly right; with-

out waiting to be requested by the Government to investigate the matter I took up the subject myself. I made inquiry while I was there——

Chairman WALSH (interrupting). In California?

Mr. KING. No; this was in Vancouver and Victoria. I found the opium produced there amounted to half a million dollars turned out each year. I got the evidence sufficient to base on act of Parliament upon it. I drafted an act to prevent the opium traffic completely in Canada and returned to Ottawa, and asked the prime minister if he would introduce it. There were only two or three days until the end of the session. He told me the time was short. I said I thought the opposition would not offer any opposition to a measure of that kind. I saw the leader of the opposition and got his guaranty that they would not, and they put that legislation through and it is on the statutes to-day. I have learned since that this country was interested in that same problem at the same time; that the legislation which was enacted in Canada was followed almost literally by the Government here.

I was asked by the British Government if I would represent Canada as one of the delegates to the opium commission that met at Shanghai, which I think was appointed by this country. Bishop Brent, I think, was chairman of that commission.

Chairman WALSH. Did you meet with the commission in Shanghai?

Mr. KING. I was a member of that commission.

Chairman WALSH. Did the commission meet in Shanghai?

Mr. KING. Yes; certainly.

Chairman WALSH. I want, if possible, to eliminate the details——

Mr. KING (interrupting). Yes; but I want——

Chairman WALSH (interrupting). Of how you went to the prime minister, and all that. What I want to get, if I can, is the particular thing, discarding the details as much as you possibly can, of what you did in this country, in the United States, in helping labor.

Mr. KING. I know, Mr. Walsh, you are anxious to discredit me as much as possible, and I am equally anxious to let my attitude——

Chairman WALSH (interrupting). If you will answer my questions, Mr. King, without any explanations, and leave out your comment upon the way you think I am conducting my business, I will be obliged.

Mr. KING. I would just ask for myself the courtesy I have seen accorded to every witness here; I have seen men speak for half an hour on the stand without interruption from you, and I would like an opportunity to speak at least five minutes.

Chairman WALSH. I try to indicate when they ramble on too much into detail that I would like them to come back to the question.

Mr. KING. Yes.

Chairman WALSH. I guess I will have to do that with you and ask that you keep to the question.

Mr. KING. That is right.

Chairman WALSH. Nevertheless, if you think you should, you will be allowed to go on like the others; but I am required to attempt at least to keep this within the lines of the inquiry. And we understand each other I think perfectly, and that you think I am not conducting the matter properly.

Mr. KING. With just this further proviso, that I would like to register an objection at any point I think it is desirable to do so, where I think your attitude is unfair. I have been chairman in many commissions myself, and I know the rights a chairman has.

Chairman WALSH. You know that in a commission of this kind the power does not exist to punish for contempt?

Mr. KING. I do not think there is any question of contempt.

Chairman WALSH. Or any power to punish for refusal of a witness to answer a question?

Mr. KING. I do not know that there is not; I think there is. I think a chairman ought to take a judicial position and not that of a prosecutor.

Chairman WALSH. I know that is your point, and there is a contrariety of opinion upon that; a judicial position sometimes could be assumed that would cover up matters. Do you believe—oh, I won't go into an inquiry of that kind. Do you want to register that I am unfair along this particular line?

Mr. KING. No.

Chairman WALSH. Now, along the lines I have indicated to you, and not going into too much detail, please proceed and tell us what other work you have done to help labor in the United States of America; that is, eliminating, if you



please, what has come directly from Canadian legislation, which it has been conceded, if it is beneficial to labor in Canada, would be beneficial to labor elsewhere.

Mr. KING. As I remember, the commission that met in Shanghai—Bishop Brent was the chairman; there were American and British delegates at different conferences we had there and some of us agreed in certain matters and others differed. I mean by that my sympathies in some of the cases lay with the American members of that commission in some particulars and not in regard to others. I saw certain features that had a bearing on this continent. Whenever I saw an opportunity of assisting what the American commissioners wanted done, and I thought it would be in the interest of this country to have it done, I threw my efforts in that way.

Chairman WALSH. In Shanghai, China?

Mr. KING. Yes.

Chairman WALSH. Would you deem it unfair if I asked you to confine yourself, at least at this point, to the question asked, what you did in the United States of America?

Mr. KING. Mr. Chairman, your horizon and mine are different, and I think that is where we fall short. My point of view is that a man can render service in a very direct way to another country without residing in that country and doing the thing in that particular place. This was a commission appointed, I understand, at the instance of the United States of America; it was this country that established that commission in Shanghai, China.

Chairman WALSH. Well, conceding that, too—conceding that, would you be willing to answer my question regardless of the bearing it has on your record or anything else for that matter and just state what work you actually have done in the United States of America?

Mr. KING. That is a different question.

Chairman WALSH. That is the one I am trying to direct your attention to now.

Mr. KING. Yes; but you asked me what I had done for American labor, which is different from what I did in the United States of America.

Chairman WALSH. Very good. I told you that was conceded, what you did in Canada and other countries, Shanghai, China, or any other place, and that if it benefited labor there it would benefit labor every place. Now, with that concession, I am now asking you what else you have done actually in the United States of America like, for instance, what you are doing in Colorado or New York or any other part of this country?

Mr. KING. Do you think that will throw light on the subject of this commission?

Chairman WALSH. I do; otherwise I would not ask it.

Mr. KING. Well, would the appointment of a commission on industrial training and technical education, and which commission visited this country—would the finding of that commission have any bearing on conditions here?

Chairman WALSH. Did you visit this country with that commission?

Mr. KING. Actually come here with it?

Chairman WALSH. Yes.

Mr. KING. No.

Chairman WALSH. Then it would not have a bearing on my question.

Mr. KING. On your question; I am willing to leave it, as I said.

Chairman WALSH. Can you indicate any other work that you have actually done in the United States of America?

Mr. KING. No other thing comes to my mind.

Chairman WALSH. All right.

Mr. KING. Well, a few years ago there was a strike which tied up the system of the Grand Trunk Railroad from Chicago to Portland. A part of that Grand Trunk System runs through Canada. Now, so that we can understand each other, if I helped in any way to bring about the termination of that strike, would you think I rendered any service to American labor?

Chairman WALSH. Indeed, I would; but I am not asking about that at this time. If, in anything you did in that strike, you came to America to do it, that is what I would like you to indicate at this time.

Mr. KING. Mr. Garretson, a member of this commission, representing labor, came to Canada.

Chairman WALSH. Did you come to this country?

Mr. KING. No; but I negotiated with Mr. Garretson.

Chairman WALSH. I am now asking about any case in which you actually worked in the United States of America; you did not actually come to the United States of America in that matter?

Mr. KING. No; that is quite true.

Chairman WALSH. Can you indicate any other work you did to help labor in the United States of America which required you to come to the United States yourself, other than what you have already indicated?

Mr. KING. Well, I think some years ago I attended a conference of officials of bureaus of statistics of America.

Chairman WALSH. Where was that?

Mr. KING. I think one was held in St. Louis and one in Boston.

Chairman WALSH. There were two of those?

Mr. KING. I am not sure there was not one here; I attended several. But at one of those conferences one matter considered was how the statistics of each country could be put together so that they would be of assistance to the other countries, and legislation by one country made of assistance to desired legislation in another country.

Chairman WALSH. So, in this instance, you were actually in the United States?

Mr. KING. Yes.

Chairman WALSH. And dealt with conditions you thought would help labor in the United States as well as other places?

Mr. KING. Yes.

Chairman WALSH. You attended several of those?

Mr. KING. Yes.

Chairman WALSH. How many were there?

Mr. KING. Three.

Chairman WALSH. Were those all appointments of the Canadian Government, or did they serve voluntarily or by some other authority?

Mr. KING. Well, I think it was on my own initiative; I was head of the department of labor in Canada, and as such I came.

Chairman WALSH. Did this conference come under the head of the department in Canada?

Mr. KING. Yes.

Chairman WALSH. Was there any way in which you helped labor in the United States and came to the United States to do it?

Commissioner WEINSTOCK. Mr. Chairman, if it is allowable, in order that I may better appreciate the answers of the witness, may I ask the object of this line of questions?

Chairman WALSH. I would say I am not on the stand being examined, and I would not like to indicate in advance what the line is, or to be questioned at all by anyone.

Mr. KING. Mr. Chairman, I am on the stand; may I ask the question myself?

Chairman WALSH. No; you might not ask it either.

Mr. KING. All right.

Chairman WALSH. Proceed now.

Mr. KING. Well, there may be other things; if you had submitted this question to me in advance I would have tried to get the information a little more in detail; but I do not think I can give it more in detail at this time. I do not wish you to understand, however, that that is all.

Chairman WALSH. Now, going back to a former question. Do you believe—we were speaking of what might be called the organized trade-unions—do you believe that Government officials or other outsiders should give the organized trade-union movement legislation and other matters they think good for the organized trade-union movements regardless of the wishes of the organized trade-union movement?

Mr. KING. My feeling is that every man has to determine for himself whatever he thinks is right and proper to do, and I do not think that anyone is the keeper of another person's conscience, and each man has to decide for himself.

Chairman WALSH. For each group?

Mr. KING. Why, in the particular position each is in himself, his duty is to try and help men in other positions in life.

Chairman WALSH. Whether they want to be helped or not?

Mr. KING. Yes.

Chairman WALSH. As an expert, and after investigation of the bricklayers' union and printers' union, at the University of Chicago, did you approve, as an expert, of that form of organization?



Mr. KING. Do you mean by that, did I approve of trade-union organization?

Chairman WALSH. No; did you approve the ones you made a particular study of, of the form of the organization of the bricklayers' union and the printers' union?

Mr. KING. The printers' union; that was put in the form of an article, and that article will speak for itself.

Chairman WALSH. How about the bricklayers' union; did you approve of that?

Mr. KING. I do not recall just at the moment what view I had of it. I think the inquiry I had on the subject of the bricklayers was more with some of the officials of the bricklayers' union with regard to the trade-union methods and trade-union organization.

Chairman WALSH. Did you write on the subject of bricklayers?

Mr. KING. No.

Chairman WALSH. Did you approve of their form of organization?

Mr. KING. I could not say whether I did or not.

Chairman WALSH. Would you be good enough to epitomize to this general extent with regard to the printers, although you say it is in documentary form; did you approve of their forming an organization after you studied it here?

Mr. KING. The article was written 20 years ago, and my impression is at the time I did. I see no reason why I should not approve of it since.

Chairman WALSH. You say when you went down to meet Mr. Rockefeller and Mr. Greene you went—as you understand it, as an expert on labor conditions?

Mr. KING. Well, I do not know that I would be justified in taking that amount of credit to myself, Mr. Chairman.

Chairman WALSH. I thought you stated yesterday that you went there as an expert.

Mr. KING. If I did, I apologize, because probably I am not entitled to use that term. I had 8 or 10 or 12 years' experience in industrial problems, and used the word "expert" as it is commonly used; I presume I was asked because I had been dealing with industrial questions.

Chairman WALSH. I have heard this statement made before this commission many times, that they believed in industrial democracy, and they defined industrial democracy under the present wage system to be the absolute and inalienable rights of workers in industries to have a compelling voice in the fixing of their compensation and hours for their labor, and the conditions under which they were required to work, or under which they worked; you have heard that expression?

Mr. KING. Yes, sir.

Chairman WALSH. Do you believe in that?

Mr. KING. That represents the ideal that I should like to see achieved; certainly.

Chairman WALSH. Now, workers can not have a compelling voice in their wages unless they have some power to enforce their views upon their employers, can they?

Mr. KING. I think that is right; yes.

Chairman WALSH. Do you believe that an organization, for instance, in the industry of the Colorado Fuel & Iron Co., would be beneficial to enforce a compelling voice if the entire organization was inside of that industry?

Mr. KING. I think it would depend largely on the position taken by the directors of that company and the officers of the company.

Chairman WALSH. But how could they have a compelling voice, the workers themselves, if it depended on the directors and officers of the company? As I understand it, the compelling voice means they must be given the power to say their own conditions, and not take what the directors or managers might be willing to concede them.

Mr. KING. There are two parties to every industrial contract, and the strength of one party is estimated relatively on the basis of the strength of the other. I could imagine a very weak organization of labor, with employers who were desirous of doing what was fair and right, being in a very much stronger position in a matter of having a compelling voice than a strong organization with employers who were determined irrespective of what the consequences might be that they would not concede them what was right and proper and just.

Chairman WALSH. Well, if this is a matter of favor upon the part of the employers, a matter of the desire, no matter how commendable he treats the employer's right to grant him something, then you leave the idea of industrial democracy and go back to what might be called a beneficial autocracy?

Mr. KING. No; I think you have to take human nature as it is, and the fact that a man belongs to a trade-union doesn't make him a different man than he was before he joined it. The same is true of an employer of labor; because he employs labor and says a particular thing it doesn't follow that he is going to be any different than he was before he made the assertion. Back of all forms of organization lies character, and character is going to be the determining factor in the long run.

Chairman WALSH. It is going to depend upon the character of the men that operate the industry and the character of the men that are there, whether or not a democracy is established, or fair conditions?

Mr. KING. I could imagine that under the conditions of industrial democracy that you have described, and which I say I believe in, that men holding positions in that industrial democracy might become tyrants.

Chairman WALSH. That is, the worker might become a tyrant?

Mr. KING. Any man. I am not saying that workers might. I would like it distinctly understood as stated, men, when they are elevated to certain positions, or get a certain degree of authority, frequently become arbitrary in their conduct.

Chairman WALSH. Did you find any of them in the Colorado Fuel & Iron Co.?

Mr. KING. Let me finish. And I feel that as respects any form of organization society may take, or that any institution may take, that as long as human nature is what it is those possibilities may arise, and knowing that I fall back again on what I said in the beginning—that in the last analysis the determining factor is character.

Chairman WALSH. Is not the determining factor whether or not the worker can establish the conditions? Whether or not they have the power to do it, financially and in number?

Mr. KING. I think that financial aid and numbers increase power, but if that power is in the hands of the men that are tyrannical by nature, and arbitrary, it will add so much more to tyranny and excess in their hands. If it is in the hands of men who are benevolent in their attitude toward life, and charitable in their relations, then it will be a blessing. It depends in the last analysis on the character of the men.

Chairman WALSH. Has your investigation extended to the extent in Colorado that you can say now whether there has been any of that arbitrary abuse of power which you mentioned by any of the officers or directors of the Colorado Fuel & Iron Co.?

Mr. KING. I will answer that question, but before I answer it I would like to say this: When I went to Colorado I went with a view of getting all of the light that I could on the situation.

Chairman WALSH. Might I ask, did you take into consideration the history of Colorado?

Mr. KING. Yes, sir; I have been trying to. But in order to get inside information, as thoroughly as I could, I assured everyone with whom I had an interview that I would regard the interview as confidential, that I would not disclose the names of the parties with whom I had the interviews or discuss the substance of what was given. I feel in the work that I am doing now, as a student of these problems, that the success of it will depend upon the degree to which I get actual, true, and unbiased information. And I feel that the extent to which I may succeed will depend upon the degree of confidence I can secure of men in all walks of life. So in regard to the Colorado situation, I feel that I owe it to the assurances I have given to the people in Colorado, that such information as I have on the subject at the present time I regard as confidential, and I hope you will see the reasonableness of that point of view.

Chairman WALSH. Will it ever be disclosed?

Mr. KING. I hope it will be disclosed in this way, if no other: During the last few years in Colorado some of the mining districts have been canyons of strife; I think that would describe the geography of the situation. I would like to see them changed into valleys of happy and contented homes, and if that result is achieved in the next five years, or any period, the next five months or five weeks, I would hope that some little part of it might be due to the work that I have been endeavoring to do and suggestions I have helped to make.



Chairman WALSH. But my question, when are these alleged facts that you are gathering going to be disclosed, if ever?

Mr. KING. I don't purpose making any findings on the Colorado situation.

Chairman WALSH. You don't purpose giving out any information on which you base your findings, on which you hope to get this happy solution?

Mr. KING. There are two ways of getting results; one is by antagonism, although I don't think this always brings the results, but it is sometimes attempted, and the other is by conciliation and believing in men. My method has been to believe in men.

Chairman WALSH. No matter what they do?

Mr. KING. "There is so much bad in the best of us, and so much good in the worst of us, that it hardly behooves any of us to talk about the rest of us." That is the expression of my relation to my fellow man, and I believe I can accomplish more by believing in men than disbelieving in them, whether they are agitators or capitalists or any class you like. As I said yesterday, one of the things that moved me to take up this work was that the foundation might be perfectly—

Chairman WALSH. Are you going to make your report to anybody; are you going to give anybody these facts that you are collecting, the result of these interviews?

Mr. KING. No, sir; I have not decided that, but if you mean am I going to give them to anybody connected with the foundation or Mr. Rockefeller I would say no.

Chairman WALSH. Are you going to give them to the Government?

Mr. KING. No.

Chairman WALSH. Are you going to give them to the organizations of workers?

Mr. KING. I will give them the results.

Chairman WALSH. But as far as the facts are concerned, your purpose is to keep them absolutely secret?

Mr. KING. No, sir; I would not be telling the truth to say that.

Chairman WALSH. Who are you going to tell them to?

Mr. KING. On that I shall use my own judgment.

Chairman WALSH. Who are you going to tell them to?

Mr. KING. I would like to have a chance to talk to you about it.

Chairman WALSH. Now is your chance.

Mr. KING. It is not the place.

Chairman WALSH. You mean you would like to talk to me privately about it?

Mr. KING. I should like to have a personal, intimate conversation with you about the conditions in Colorado.

Chairman WALSH. Can you think of anybody else that you would give this information to?

Mr. KING. When I was in Colorado, or rather before I went out, I was talking with Mr. Welborn, and he said he would be glad to receive any suggestions that I might make, would be glad to get suggestions respecting the conditions as I saw them.

Chairman WALSH. Now, I take it—

Mr. KING. What do you take?

Chairman WALSH. I was going to say that I take it in doing this work, as you stated, your general purpose was that you were doing it to help labor?

Mr. KING. Yes, sir.

Chairman WALSH. And you stated before you started out that you had this conversation with Messrs. Rockefeller and Greene, and the others connected with the institution for which you are doing the work, that you called upon the Department of Labor, the Secretary of Labor, and another that you mentioned?

Mr. KING. I guess the governor of Colorado, perhaps. Or was it an interview I gave to the press—Mr. Seth Low?

Chairman WALSH. And you were going right then into the Colorado field?

Mr. KING. Yes, sir; I was on my way to Colorado.

Chairman WALSH. And of course when you get these results you expect to get not only the history of Colorado, but the opinions and observations of the men that were engaged in the conflict?

Mr. KING. Oh, certainly.

Chairman WALSH. Did you call upon the secretary or president or treasurer of the United Mine Workers of America in Denver.

Mr. KING. I read yesterday a public statement I gave to the press in Colorado, which was published there.

Chairman WALSH. Did you call on them?

Mr. KING. In which I said I would welcome information from any source, and that I would keep myself open to see anyone who wished to see me. I called on no one in Colorado, but I saw a great many. I saw a great many persons representing all sides.

Chairman WALSH. Did you talk to the president or secretary or treasurer of the United Mine Workers of America in Denver?

Mr. KING. I have said already, Mr. Chairman, that I desired to have regarded as confidential the persons that I saw.

Chairman WALSH. Did you call upon the president, the secretary, or the treasurer of the State Federation of Labor of Colorado?

Mr. KING. I have already stated that I intend to regard as confidential the interviews that I had in Colorado. That is my position in regard to that. I refused to see no one in Colorado, and among the persons—

Chairman WALSH (interrupting). I will just put this question directly to you, if it is not a fact that you went out there on this mission to examine into conditions in Colorado, and that you went to Mr. Welborn and officers of this company that were engaged in this conflict, and the testimony as to whose conduct you have heard detailed here and elsewhere and read about, and that you did not go near any officers of the United Mine Workers of America or any of the officers of the State Federation of Labor of Colorado?

Mr. KING. I will say that is a deliberate misrepresentation.

Chairman WALSH. I am not misrepresenting. I am asking if you did it.

Mr. KING. A mere insinuation is sufficient.

Chairman WALSH. Just answer the question, and you will clear up everything. Did you go to see any of those men on the labor side?

Mr. KING. I can not state that without betraying the general confidence referred to in the statement I have already made. If you ask me did I see labor men, did I see representatives of the United Mine Workers of America—I did; but I do not intend—

Chairman WALSH (interrupting). I asked if you saw the president, the secretary, or the treasurer of the United Mine Workers of America, or the president, the secretary, or the treasurer of the State Federation of Labor of the State of Colorado?

Mr. KING. I remain just exactly where I put myself before.

Chairman WALSH. You refuse to answer that question?

Mr. KING. I refuse to disclose any of the interviews I had in Colorado; and let me make this perfectly plain, Mr. Chairman: I saw some of the persons you have mentioned—

Chairman WALSH (interrupting). Name them.

Mr. KING. No; I will not. I do not intend to disclose the names, and I do not intend to let the impression go abroad that I avoided seeing anyone, not for one minute. If the president and secretary and treasurer and those other men you speak of were interested in seeing me, they knew exactly where I was staying, and there was no one that was refused an interview who asked for it, and I was most anxious to see them and most solicitous. If there was any keeping away, they were the ones that kept away, and not me. I want to have it perfectly plain there was no avoiding seeing anyone.

Chairman WALSH. I want to have it perfectly plain, too.

Mr. KING. Let me state this, too: If the president or the secretary or the treasurer or any member of the United Mine Workers of America wishes to see me, I will make an appointment to see them. I will make an appointment to stay here all week in Washington, this week, if they wish it, and see every one of them here and discuss fully the matters with them. I have no desire to avoid seeing anyone.

Commissioner HARRIMAN. May I ask a question, Mr. Chairman?

Chairman WALSH. Pardon me; you will make me lose my thread. I will let you ask it in just a moment.

But you say now you did receive a call from the president or the secretary or the treasurer of the United Mine Workers of America or of the State Federation of Labor of Colorado—that some of them called on you?

Mr. KING. Is Mr. Doyle a member of one of those organizations?

Chairman WALSH. Yes, sir.

Mr. KING. I saw him. I did not have a lengthy interview with him. The reason I did not continue my interview with him was that I got the subpoena from your sergeant at arms to come here, and I had to convey to him why I could not see him at the present time.



Commissioner HARRIMAN. May I ask a question now, Mr. Chairman.

Chairman WALSH. Pardon me; certainly.

Commissioner HARRIMAN. Did you not see the secretary and treasurer of the United Mine Workers of America and did you not also see the president of the United Mine Workers of America and have a long talk, lasting over an hour and a half—or the vice president?

Mr. KING. Mr. Hayes?

Commissioner HARRIMAN. Yes.

Mr. KING. I had a long talk with Mr. Hayes; yes.

Commissioner HARRIMAN. That is what I meant.

Mr. KING. Two or three talks with Mr. Hayes. I had talks with Mr. Hayes and Mr. Lawson—two or three different gentlemen in New York.

Commissioner HARRIMAN. That is what I wanted to bring out.

Mr. KING. I do not wish to be put in the position of disclosing—you asked about calls. I did make two calls, and they were the only calls I made on anyone in Colorado. Both of these calls were on "Mother" Jones. I felt she was a woman, and it was my place to call on her, even if I was taking the position that I did not intend to make any calls on anyone. But "Mother" Jones had intimated to me in New York that she would be able to give me a good deal of information about conditions in Colorado, and I went to see her and ask her to give me the names of the people I should see in Colorado and the different camps I should visit, and places I should go to get such information as I could, because I wanted to get at the very bottom of conditions there. She will perhaps pardon my breaking the general confidence that I had given, but I want you to understand that I have had no desire other than to get right at the bottom of this whole situation.

Chairman WALSH. As suggested by Commissioner Harriman, you met Mr. Doyle and Mr. Hayes and some others at New York?

Mr. KING. Yes.

Chairman WALSH. What I was asking about was when you went out to make your investigation in Colorado, and I think we got to the point where you asked if Mr. Doyle was one of those men.

Mr. KING. I say I saw Mr. Doyle.

Chairman WALSH. You say you saw him in Colorado?

Mr. KING. Yes; I did.

Chairman WALSH. I will read a telegram and ask you if you are not mistaken about that:

"LEWIS K. BROWN,

*"Secretary U. S. Commission on Industrial Relations,*

*"Bellevue Hotel, Washington, D. C.:*

"Wire relative to Mackenzie King consulting officers of United Mine Workers or State federation received. Mr. King did not call on or consult any of the officers of the United Mine Workers or the State Federation of Labor while he was in Colorado.

*"E. L. DOYLE,*

*"Secretary United Mine Workers.*

*"W. T. HICKEY,*

*"Secretary State Federation of Labor."*

Is Mr. Doyle mistaken about that?

Mr. KING. If you will wire Mr. Doyle and ask him if what I say now is not true, I shall abide by whatever he says. I met Mr. Doyle one afternoon when I was calling on "Mother" Jones. I talked with him in the same room in which I talked with "Mother" Jones. I engaged to see Mr. Doyle at a future time. My secretary, who is sitting in this room at the present time, was keeping account of the interviews I was to have, and when your communication came, or rather the communication from your sergeant at arms, obliging me to be present at this hearing, I had to shorten many of the interviews I was to have had in Colorado, and I was obliged to send word to some that I could not see them at that particular time—that I might have to defer until a later time a complete interview, for which I had already made engagement. Mr. Doyle was one of that number, and—I think I am right; my secretary can correct me if I am wrong—I asked him particularly to phone Mr. Doyle and let him know the reason that I had been called away. If you care to transmit that wire to Mr. Doyle and ask him if it is not true, I have enough faith in Mr. Doyle's integrity to believe he will wire you it is an absolute statement of fact.

Chairman WALSH. Generally speaking, did you find industrial unrest existing in America?

Mr. KING. Industrial unrest exists all over the world.

Chairman WALSH. Did you find it very bitter in Colorado?

Mr. KING. I prefer not to discuss the Colorado situation at all.

Chairman WALSH. Did you find, after you started in your work, a bitter protest on the part of the organized workers of this country against Mr. Rockefeller undertaking an investigation into the causes of industrial unrest?

Mr. KING. Mr. Chairman, if a man is to stop his work because certain men or any men protest against it, nothing will be accomplished in this world.

Chairman WALSH. I am just asking if it is a fact that you found a very bitter protest on the part of leaders of organized labor against Mr. Rockefeller assuming to conduct any inquiry into industrial unrest?

Mr. KING. If you will tell me who are the leaders, I will tell you whether I heard anything from their lips.

Chairman WALSH. I will read to you an article written by Samuel Gompers, as I understand it. Mr. Gompers is president—but, of course, you know who he is?

Mr. KING. I know Mr. Gompers very well.

Chairman WALSH. In his organization he has something over 2,000,000 workers allied with it, and it is a growing organization which has been built up. It represents absolutely the men that are allied with it, does it not—the American Federation of Labor?

Mr. KING. It is a representative organization; yes.

Chairman WALSH. Outside of that it has a large and influential circle that are not allied with it?

Mr. KING. I think the American Federation of Labor has a great many friends.

Chairman WALSH. I will read you this article:

"Was it a spirit of sardonic humor or failure to understand which moved John D. Rockefeller, jr., to follow his imperious rejection to President Wilson's truce plan for the Colorado mining situation with the announcement that a commission of the Rockefeller Foundation (an institution financed by the Rockefeller millions) was to undertake an inquiry into general industrial relations between workmen and employers?

"Does Mr. Rockefeller really sense the fact that something is very wrong in the world of labor in which justice and real freedom are denied workers, or does he merely desire data to sustain the Standard Oil ideas of freedom and the economic theories he voiced before the House Committee on Mines?

"Have the American people forgotten that strange, sinister witness, his dogmatism, his absolute unyielding indifference to public sentiment, his cynical, ruthless disregard for the effects of his policies, his terrible concentration of purpose, his assumption of infallibility? This is the man who proposes to use his money to finance a world-wide quest for the truths of the causes of conflicts between 'labor and capital.' Note the abstract terms with the effect of isolating the problem from the human beings concerned. Furthermore, remember the old adage, 'He who pays the piper may call the tune.'

"This 'investigation' will be conducted by the Rockefeller Foundation. It will be remembered that this is the foundation that vainly sought a Federal charter, but was refused because Congress felt that its influence would be undemocratic and antisocial. 'In spirit and in method the investigation will be like that carried on by the Rockefeller Institute for Medical Research.' That is to say, a new germ or a new form of life has been noted. Let there be an assemblage of the savants and the scientists to observe this new bug. Let them come armed with microscopes, laboratory outfits, to observe and study the reactions and the habits of this new bug. Let the phenomena be carefully noted, tabulated, compared, in order to formulate principles and rules and reduce to scientific formulæ. Let the investigators be prepared to experiment. Vivisection promotes the interest of science—this new bug, the worker, may be improved by a few operations, or the removal of a few wants or aspirations. Let the investigators maintain the scientist's attitude of disinterested aloofness and they may be able to discover great possibilities for the miners of Colorado. Of course, the miners need do nothing but patiently submit to be 'investigated,' castigated, or dissected.

"If the efforts of this scientific inquiry could be turned upon the heart and the mind of John D. Rockefeller and infuse into them an understanding of the idea that if he and the other coal operators would only get off the backs of



the miners and loose their strangle hold from their throats, the miners would normally and rationally work out their own welfare without outside assistance. Give the workers a chance and they will establish justice for themselves as independent, capable men should. Let them be men, not dependents. Let them conduct their own investigations if they want them.

"Mr. Rockefeller's investigation can do nothing more than produce a Standard Oil card-index system of the phenomena of industrial relations. The foundation can not accept Standard Oil money and leave out Rockefeller. Rockefeller dominates all agencies and activities with which he is associated. This fact is one of the reasons why the association between the Department of Agriculture and the Rockefeller Foundation roused public indignation. Recognition of this principle led the National Educational Association to declare for education unhampered by subsidization by private foundations to endowments. Within the recent past has come an additional verification in Dr. William H. Allen's explanation of his resignation from the New York City Bureau of Municipal Research, charging that the contributions from the Rockefeller foundations were stifling the bureau and substituting so-called 'scientific' research for municipal research.

"If Mr. Rockefeller would really do labor and all the Nation a favor, he would follow a suggestion recently made: 'The one thing that the world could gracefully accept from Mr. Rockefeller now would be the establishment of a great endowment of research and education to help other people to see in time how they can keep from being like him.'"

This appears in the American Federationist of November, 1914, and it is by Mr. Samuel Gompers, president of the American Federation of Labor. Do you believe that he voices the sentiment of the 2,000,000 workers and those that you say are within the sphere of his influence when he writes that editorial with regard to this inquiry into industrial unrest by the Rockefeller Foundation?

MR. KING. Mr. Chairman, I think I would rather not express any opinion in regard to the views expressed in that particular phraseology. I should be sorry if I thought the 2,000,000 that belong to the American Federation of Labor or are represented in it would denounce a man for taking the stand that you so strongly urged upon him when he was on the stand here. If I remember rightly, your last words to Mr. Rockefeller were that his great wealth brought with it great responsibility, and that he should for one seek to raise his voice to improve conditions.

CHAIRMAN WALSH. To the men that were working for him, I said—not for workers. What my suggestion for him to do was to take Mr. Welborn and these people, and if what was said about them was true, institute prosecutions. I did not ask him to do—

MR. KING (interrupting). I would say that a man with as great wealth as Mr. Rockefeller has should use it to improve conditions not only as far as his own employees are concerned, but for the benefit of his fellow men generally.

CHAIRMAN WALSH. Where should he begin?

MR. KING. Begin with his own industries. Mr. Rockefeller has done that very thing. That is the very thing he is seeking to do. He is trying to do it in all sincerity, and I humbly submit, Mr. Chairman, that no one who strives to destroy an effort of that kind, to frustrate it, is a true friend of labor, irrespective of who he may be.

CHAIRMAN WALSH. What do you think of these people who proclaim themselves friends of labor that are not laborers themselves?

MR. KING. I judge every man, Mr. Chairman, not by his words, not by his talk, not by his professions. For example, you are not a workingman, you are not a laborer, you are not toiling with your hands, but I do not question for one minute the sincerity of your desire to improve the conditions of labor.

CHAIRMAN WALSH. If you will ask me the question, you never heard me say I was a friend of labor, did you, or that I was engaged in the uplifting of the masses or of labor?

MR. KING. I think you have told me that that was your motive, yes, in a conversation we had together.

CHAIRMAN WALSH. That it was my motive to uplift labor?

MR. KING. That it was your desire to do something for labor; yes. I remember it most distinctly.

CHAIRMAN WALSH. I will not get in an argument with you about what was said in our conversation, but certainly if I ever said I was a friend of labor or that I was uplifting labor, I was certainly saying something that was—

MR. KING (interrupting). That was not true?

Chairman WALSH. That is opposed to the thought I have. You are referring to this work I am doing now?

Mr. KING. No; I am not referring to your life.

Chairman WALSH. This is just an investigation.

Mr. KING. I am referring to your life. I am not referring to this especially. I assume from your attitude in this investigation that you would never have accepted the chairmanship of this commission if you had not been a friend of labor. I think labor has had very, very much aid from men who were not in the ranks of labor itself. In fact, I think most of the unrest here to-day—

Chairman WALSH (interrupting). I want to record here—

Mr. KING (interrupting). Let me answer this first.

Chairman WALSH. I want to record here that this conversation you had was in my office in New York, was it?

Mr. KING. It was a conversation we had together.

Chairman WALSH. I want to just record here that I have no recollection of having made any such statement at all.

Mr. KING. I would not have introduced it or mentioned it except you asked me what I thought your motive was.

Chairman WALSH. I was asking about the people. I never asked what my motive was.

Mr. KING. And I referred to you.

Chairman WALSH. I was asking about the people that proclaimed themselves as friends of labor.

Mr. KING. I referred to you as one belonging to that group. My feeling is this: That men, no matter what their position in life, who have opportunities for helping their fellow men, if they fail to take advantage of those opportunities to the best of their ability, are not the friends of labor, no matter who they may be. But any man who sincerely and honestly tries to do something to benefit industrial conditions, whether he is in the ranks of labor or not in the ranks of labor makes no difference at all, he is a friend of labor. You judge men by their acts and by their habits and not by their statements or clothing.

Chairman WALSH. Did you read the protests of the men directly engaged in the Colorado industries against Mr. Rockefeller assuming to conduct an investigation into the causes of industrial unrest and to suggest remedies?

Mr. KING. No; I did not.

Chairman WALSH. Did not you read the testimony of the witnesses who declared that he had better go to Colorado and attend to the demands of the people working in his own industry than to conduct any world-wide investigation generally into the industry?

Mr. KING. Yes; and the minute I act upon that myself and go to Colorado to do the very thing that those men say should be done then those same gentlemen turn around and say that there is some ulterior motive, something that is false and wrong about it. When I find a man who takes the position that no matter what another man does—whether an action of his is thus or diametrically the opposite—it is wrong, then I begin to lose confidence in the statements he makes, and I have to take with a grain of salt anything else said by that particular person.

Chairman WALSH. Do I understand you went to Colorado for the express purpose of doing something for the industry of the Colorado Fuel & Iron Co. with respect to these workers?

Mr. KING. I had that very much in mind.

Chairman WALSH. And you are going to make some report to Mr. Rockefeller or the officers of the Colorado Fuel & Iron Co. with respect to that particular situation in Colorado?

Mr. KING. I did not say I was going to make a report. I am certainly going to discuss with Mr. Rockefeller the conditions as I saw them in Colorado. I am certainly going to tell him very emphatically what I think of certain features of it, and so far as I can, as long as I am associated with Mr. Rockefeller in any capacity, my attitude toward him will be just what it is toward any other man. I shall try to influence him all I can toward doing what he can do and is willing to do to improve conditions in the industrial world.

Chairman WALSH. Please outline for this commission the policies which you consider should be put into effect in Colorado in the industry of the Colorado Fuel & Iron Co.?

Mr. KING. No, Mr. Chairman. I have said I do not desire to discuss the Colorado situation.



Chairman WALSH. Do you believe from your investigation in Colorado that a condition of industrial freedom existed in Colorado in 1913 prior to this strike?

Mr. KING. As to that I would say that the impression I gathered while I was in Colorado was that the people in that State were mostly desirous that bygones should be bygones and that men should work together constructively to build up Colorado rather than to perpetuate a memory of the strife that has been going on there. I should like for one to believe that to be the sentiment of the people of Colorado, and not in any way do I wish to antagonize that sentiment.

Chairman WALSH. That a class of people now expressed that in Colorado—

Mr. KING. I am speaking now of the sense of a community, as a man gathers it who has been in the community for a couple of months.

Chairman WALSH. In studying the history of Colorado, did you study the strike of 1903 and 1904 in the Colorado Fuel & Iron Co.'s industry?

Mr. KING. I have a great deal of information on that subject.

Chairman WALSH. And you knew from the records there that the constitutional rights of a great number of miners were invaded, and were put into what were called bull pens and driven out of the State without process of law?

Mr. KING. I don't believe it would be possible to conceive a condition being worse than in Colorado in the past.

Chairman WALSH. Then do you believe that bygones should be left bygones when these men were thrown out on the prairie and nothing said about it, when a similar struggle arose 10 years thereafter, or do you believe that the conditions should be studied, the conditions of the men should be studied, the hearts of the men that controlled the situation should be studied and placed under the microscope, as it were, and studied better, and in that way get a peace that is based upon justice and an enduring one?

Mr. KING. That last phrase expresses my sentiment exactly.

Chairman WALSH. We must have the facts.

Mr. KING. Certainly.

Chairman WALSH. And the people must have the facts.

Mr. KING. Who do you mean by the people?

Chairman WALSH. Well, there are a great crowd of them here—the people of the United States.

Mr. KING. Yes, sir. Well, do you mean that everyone in the United States wants to know exactly?

Chairman WALSH. If it is possible to get it into everyone's mind.

Mr. KING. That otherwise it is impossible to remedy the situation?

Chairman WALSH. No, but they must know, in order to get behind it—the one most powerful public opinion that it is possible to get—so that these deplorable conditions will never occur again.

Mr. KING. I hope they will never occur again.

Chairman WALSH. Is that not the way to do it—to put it into the minds of the people—before the people?

Mr. KING. I do not know that that is the way to do it, and I don't know that you honestly think it is. The way to do it is to get hold of the forces controlling the situation, and if they are wrong, to remedy it.

Chairman WALSH. Is there any force in the American people—

Mr. KING. We are playing in words.

Chairman WALSH. No; I am not. Is there any force to control the Rockefeller interests in Colorado to do the right thing if they are not doing the right thing, except the ordinary people in America?

Mr. KING. If you are speaking of the immediate force and immediate influence, I think that the conscience of young Mr. John D. Rockefeller, jr., is more powerful on that, and will effect social justice in Colorado quicker than any other single force that you could bring to bear. I think he realizes there is a great work to do there, and he intends to have it done.

Chairman WALSH. You think that the will and conscience of Mr. Rockefeller in bringing proper conditions and enduring conditions in Colorado is more powerful than the will and conscience of all the balance of the people of the United States directed in that field?

Mr. KING. No, Mr. Chairman, I don't put it that way at all. I am speaking now of the particular question of the conditions in Colorado at the present time. You asked me what factors could do the most in Colorado.

Chairman WALSH. Pardon me; I didn't ask you that. I asked you if it was not necessary for all of the people of the country to get a knowledge of what was taking place and had taken place in 1903 and 1904 and in 1913, right down to the present time?

Mr. KING. I don't think if every man in the United States knew what took place in 1903 that that would be a factor to influence the present situation one way or the other if you had not along with it the will and intention on the part of the man that has great influence and power there.

Chairman WALSH. That is Mr. Rockefeller—

Mr. KING (continuing). To use his influence in that direction.

Chairman WALSH. That is Mr. Rockefeller?

Mr. KING. Yes, sir.

Chairman WALSH. If the heart and will of the whole country was at work toward bringing decent and just conditions in Colorado—

Mr. KING. That is a different question.

Chairman WALSH. Well, put it yourself—put it any way you want to.

Mr. KING. I assume that the purpose of the commission is to get the truth, not to distort or pervert evidence that is given.

Chairman WALSH. Will you please answer my question? There is nothing that you can say that is going to irritate me.

Mr. KING. We are talking to-day to the American people, and it can not be made too plain that we are, and I don't intend to allow you to distort or pervert anything that I may say.

Chairman WALSH. And I don't care how insulting your attitude may be toward me; I am going to pursue the same course that I did in my examination of your employer, Mr. John D. Rockefeller, jr. I am going to insist on your answers. You have given your opinion of me here, but I have not given my opinion of you.

Mr. KING. I have no doubt you will do it.

Chairman WALSH. Indeed, I will. But I would like to have you answer my questions without any further comment, if you will, with regard to how I am doing my work or personal characteristics. They have nothing to do with it. You started to explain the power that might come from Mr. Rockefeller as compared with the power that might come from the people.

Mr. KING. As a commissioner, on a work appointed by the Government, the way you put questions is entitled to consideration, and when you say to me that I am speaking as an employee of Mr. John D. Rockefeller, I say to you now you are not speaking the truth.

Chairman WALSH. I said I was going to treat you in the same way I treated Mr. John D. Rockefeller, jr.

Mr. KING. He is not my employer.

Chairman WALSH. He is a director in the Rockefeller Foundation that employs you.

Mr. KING. You as chairman should be more careful in the way you state relations. If you want other people to be exact start that way yourself.

Chairman WALSH. I am going to treat you just the same as I treated Mr. John D. Rockefeller, jr., who is a director in the Rockefeller Foundation, he being one of the directors who controls the funds contributed by his father, John D. Rockefeller, sr., out of which you are being paid a compensation for whatever work you are doing.

Mr. KING. The Rockefeller Foundation is a trust foundation; the money in that foundation has been set apart beyond Mr. Rockefeller, jr.'s or Mr. Rockefeller, sr.'s, control. On the board of that foundation are men of the highest standing in this country, and it is a trust, and my relationship is to that trust, as a man who has been asked to do a particular work under it. There is nothing to be gained in the interest of the workers, or in the interest of anyone else, by seeking to convey impressions other than what are absolutely true or right.

Chairman WALSH. I agree with you in that. Now, if you will answer my question. I understood you to say—I will put it again—that if the hearts and wills of the entire population of America were concentrated upon the desire to establish just relationships in Colorado between the employees of the Colorado Fuel & Iron Co. and that corporation that the result thus desired could not be obtained unless it had the heart and will of Mr. John D. Rockefeller, jr., with it. Do I state that correctly?

Mr. KING. You want to know if it could be done without that?



Chairman WALSH. Is that your statement?

Mr. KING. No, sir; certainly, it was not.

Chairman WALSH. Then tell me what your statement was with respect to the necessity of having Mr. John D. Rockefeller, jr.'s, will and conscience, with all the rest of the people, before proper results could be obtained?

Mr. KING. This is a practical world, Mr. Chairman, and we are trying to get practical results. If the heart and conscience and interest of every citizen of the United States could be directed to that Colorado situation, certainly there would be no need for any other force to be exerted. But it will be a long time, and you and I are going to pass off the scene before that time comes—

Chairman WALSH. Before what time comes?

Mr. KING. Before the heart and interest and conscience of every citizen is directed on Colorado, so that these questions that you ask I must feel it is a waste of time to discuss them, because we are discussing absurdities.

Chairman WALSH. Say a majority of the people, then.

Mr. KING. What my statement came to is this, if I wanted to improve conditions in Colorado to-morrow, and was looking for a force to do it, I would go after Mr. John D. Rockefeller, jr., and I would say if he would put his energy and time into that situation, and get men to put their time and energy into it, and let his support and purpose be known, that more will come about in Colorado than in a number of years spent in efforts trying to focus opinion on the conditions that took place in 1903.

Chairman WALSH. 1903 and 1904 and 1913 and 1914. That is your belief, that it could come from Mr. Rockefeller more readily than any other force?

Mr. KING. I think at the moment that he is a very strong factor. But mark you this, I would be entirely wrong if I assumed that he could do it, or go beyond his own company. In the company that he is interested in he can do a very great good. There are industrial conditions in Colorado outside of that company altogether, and what I would like to see, and expect to see, is the cooperation of public opinion and Mr. Rockefeller on conditions in Colorado—an example set by Mr. Rockefeller which will be so marked that every other concern will have to follow it. I don't think there is any antagonism of necessity between the two. I don't think it is helpful to industrial conditions to try to raise a gulf between them.

Chairman WALSH. I have two questions I want to ask you on that. You heard Mr. Bowers testify that they were powerful enough out there to make the companies quit cheating the miners?

Mr. KING. I don't know that he said that.

Chairman WALSH. He said that they made them quit.

Mr. KING. He said that the miners were cheated. I don't know that he said they were successful.

Chairman WALSH. We won't talk about that. Another suggestion was made—you heard Mr. John D. Rockefeller, jr., explain a statement made in a letter of Mr. Bowers to the effect that the Colorado Fuel & Iron Co. fixed the prices and conditions for miners—that is, took the lead in fixing the prices and conditions of mining in Colorado, and that larger companies easily followed them. You heard that, did you?

Mr. KING. With this explanation, as I remember it, by Mr. Bowers, that he meant by fixing price, the prices of mining and wages paid for mining.

Chairman WALSH. But that was Mr. Rockefeller who testified to that, not Mr. Bowers. Mr. Rockefeller was testifying about Mr. Bowers's letter, and he said that that reference meant that they easily led.

Mr. KING. I don't remember that Mr. Bowers touched on that question.

Chairman WALSH. I say that he did not; that Mr. Rockefeller was the only one that testified about it here. That is a fact, is it, that they easily lead in fixing the prices?

Mr. KING. I can not tell you.

Chairman WALSH. And if they did, your last answer would not apply. If they can lead a larger one, they can bring about the results.

Mr. KING. I think their example would be very powerful.

Chairman WALSH. Now, as to the necessity of having something for Mr. Rockefeller in bringing about just conditions as distinguished possibly from what might be brought about by popular opinion, you are aware, of course, when a sufficient number of people in this country get of one mind, they can take over the mines and run them themselves?

Mr. KING. I don't see the necessity of drawing that distinction. Mr. Rockefeller is not desirous of opposing public opinion; I think he is distinctly anxious to fall in line with it.

Chairman WALSH. But you stated, as I understand it, the way this line of questioning began was, that you did not give accord to the proposition that these facts that you were developing ought to be laid out and given to the American people, all of them; all of the facts.

Mr. KING. Our discussion had reference to what could be accomplished within a certain time, practical men dealing with practical questions; nothing more than that.

Chairman WALSH. Do you consider that the miners in Colorado were justified in demanding a recognition of their national union?

Mr. KING. I have already said I don't care to discuss the merits of that strike one way or the other.

Chairman WALSH. You heard the testimony of Mr. Bowers to the effect that certain companies were cheating their miners in their weights. Would you consider that a just grievance on the part of the miners, and a justification for their demands that the mine owners treat with them collectively through their national union?

Mr. KING. You run it along a long way. I certainly would regard it a very strong grievance, and one that ought to be remedied immediately.

Chairman WALSH. Is it strong enough to demand recognition of their national union so they could force them to weigh the coal right, or if the company did not do it—

Mr. KING. I want this to be understood, I am not saying they would not be perfectly right in asking for it to be done through the organization, but to answer your question specifically, I would say, certainly; if they could not have that grievance adjusted in any other way, they would be more than justified.

Chairman WALSH. In seeking recognition by their national union?

Mr. KING. Yes, sir.

Chairman WALSH. And they would be the ones to pass on whether they were being cheated or not—that is, the miners?

Mr. KING. Yes, sir.

Chairman WALSH. And if they honestly and fairly thought they were being cheated, then they would be justified in demanding that the company should deal collectively with them through their national union?

Mr. KING. No, sir; that does not necessarily follow. They would be justified in going to the company and saying, we want this remedied at once, and if the companies did not accede to their demands, they would be justified in bringing all the pressure they could to bear on the company to have that done, and they would certainly be justified, if they thought it was necessary to go that far, in using not only the influence of their own national organization, but all of the force in the community to get the result.

Chairman WALSH. Do you consider that the national officers were justified in asking for an interview with the company officials?

Mr. KING. Certainly, I do.

Chairman WALSH. Do you consider that such an interview should properly have been granted?

Mr. KING. Yes, sir.

Chairman WALSH. Do you agree with Senator Patterson that that interview having been denied, although it should have been granted, then that the things that happened after that should be borne on the shoulders of the Colorado Fuel & Iron Co.?

Mr. KING. No, sir; I don't agree with him there.

Chairman WALSH. Do you agree with Mr. Bowers in this letter, that if that interview had been granted, that would have been the end of the strike? Do you believe that from the study you have made?

Mr. KING. I can not say that it would have, and I could not say that it would not.

Chairman WALSH. What is your opinion as a person that has studied these labor matters as an expert?

Mr. KING. I will express my opinion in this way; if there had been in the State of Colorado a law that would have compelled the employers to meet any group of men in regard to their grievances before the men were forced to take the initiative of throwing down their tools and going out on a strike, I believe the grievances under which those men were suffering at the time would have



been more fully gone into and they would have been able to get a degree of redress which they have not been able to get, as the result of the strike, and the strike would not have been necessary.

Chairman WALSH. Have you read Mr. Bowers's letter to Mr. Heydt, secretary of Mr. John D. Rockefeller, jr., which Mr. Rockefeller testified he had read, with reference to conditions existing in southern Colorado in 1907, and prior thereto?

Mr. KING. No, sir; I have not read any letter from Mr. Bowers to Mr. Heydt.

Chairman WALSH. I believe you stated a part of your investigation included a study of the history of conditions leading up to 1913?

Mr. KING. Yes, sir.

Chairman WALSH. And going back to 1904?

Mr. KING. Yes, sir.

Chairman WALSH. Well, this letter is as follows [reading]:

MAY 13, 1913.

DEAR MR. HEYDT: Yours of the 10th, inclosing a letter of Mr. Frank S. Hoag, of the Pueblo Star-Journal, is at hand.

While I know nothing about the paper referred to as a business proposition, I think it would be undesirable for the Colorado Fuel & Iron Co. to have Mr. Rockefeller interested in a newspaper at this time, in a financial or any other way.

The Colorado Fuel & Iron Co. for many years were accused of being the political dictator of southern Colorado, and in fact were a mighty power in the entire State. When I came here it was said that the C. F. & I. Co. voted every man and woman in their employ without any regard to their being naturalized or not; and even their mules, it used to be remarked, were registered if they were fortunate enough to possess names. Anyhow, a political department was maintained at a heavy expense. I had before me the contributions of the C. F. & I. Co. for the campaign of 1904, amounting to \$80,650, paid out personally by President Hearne. All the vouchers and checks I have examined personally, all of which were payable to Albert A. Miller, upon which he drew the currency and, it is said, handed the money over to Mr. Hearne, who paid it out. So far as I can discover, not one particle of good was accomplished for the company; but Mr. Hearne was an aspirant for the position of United States Senator and devoted a vast amount of time and money with this end in view, I have no doubt.

The company became notorious in many sections for their support of the liquor interests. They established saloons everywhere they possibly could. This department was managed by one John Keblor, a brother of the one-time president of the company, who died about the time I came here, a victim of his own intemperate habits. A sheriff elected by the votes of the C. F. & I. Co. employees, and who has been kept in office a great many years, established himself or became a partner in 16 liquor stores in our coal mines. To clean up the saloons and with them the gambling hells and houses of prostitution, has been one of the things that Mr. Welborn and I have devoted an enormous amount of time to during the past five years. The decent newspapers everlastingly lampooned the C. F. & I. Co. at every election, and I am forced to say the company merited, from a moral standpoint, every shot that was fired into their camp.

Since I came here not a nickel has been paid to any politician or political party. We have fought the saloons with all the power we possess. We have forbidden any politician from going into our camps, and every subordinate official connected with the company has been forbidden to influence our men to vote for any particular candidate. We have not lobbied in the legislature, but have gone directly to the governor and other able men and have demanded fair treatment.

We have secured the past winter a mining law almost entirely written by our own superintendent, E. H. Weitzel, with four other men appointed by the Senate committee, including representatives of labor, a capable engineer, and two representatives of the operators. It is just and fair to all concerned and meets every requirement of the labor organizations, excepting that there are no special privileges granted to labor unions.

We have now reached the point where we have the respect of the prominent men as well as the common laborers of Colorado, because of our fair treatment and continual efforts to improve the conditions of mining. Even the old-time bitter political enemies of the company now say they have not one word of

criticism to offer against the company from a political standpoint. The newspapers, for the most part, are courteous, and it is not often we see an article upbraiding our company or its employees.

If you should become financially interested in the newspaper referred to, the C. F. & I. Co. would be immediately accused by the other newspapers of Pueblo and of the southern counties of the State as having taken a new tack in the control of politics, and we would be upbraided just the same as if we were backing the paper, because it is well known that the Rockefeller interests are managing the affairs of the C. F. & I. Co. Therefore, I think it would be a very serious matter to the company if you should take any interest in Mr. Hoag's enterprise.

I think I have never written a letter along this line, and I am doing so now for your files.

Yours, very truly,

L. M. BOWERS.

Now, assuming that that was all true at the time Mr. Bowers came there in 1907—this was written May 13, 1913—now, assuming that all that is true and following it up by the further assumption that the sheriff elected by the votes of the Colorado Fuel & Iron Co.'s employees was still the sheriff at the time this letter was written and at the time the strike of the men was had; assume that 90 men consecutively had been killed, many of them by the alleged negligence of the company; that this sheriff selected the coroner's jury; and that even dead men were found to be at fault themselves; assume that in that county for 23 years there had been no verdict against the company in personal-injury cases or for the death of an employee by negligence; assuming that when men had their limbs crushed so that they lost legs or arms or lost their lives that the amounts paid in settlement by the company ranged between \$100 and \$900, the highest being \$900, and perhaps but \$100 or \$200 to some, that they averaged about \$300 for lives and limbs; assume that there was still a connection between the company and this sheriff through the liquor business right down to this time in this wise; that he sold liquor to the liquor dealers that were at the company's camps; that the companies either adopted a method of this kind, that they charged a rental based on a per capita of the employees for liquor privileges; that was the Victor-American Fuel Co. and not the Colorado Fuel & Iron Co., but the Colorado Fuel & Iron Co. was connected with it to the extent that they charged large sums for rental of their buildings; assume also—and for the purpose of this question I will leave the Colorado Fuel & Iron Co. out—that some of the companies made it a practice to cheat their men on weights. Now, after hearing this letter and hearing the assumptions that have been made—and I have tried to take the uncontradicted ones—would you say the miners were justified in using every lawful means at that time to free themselves from such conditions?

Mr. KING. Certainly.

Chairman WALSH. Do you know now from your investigation and from your research whether or not they had any organization to look to that could give them the moral and financial support that the United Mine Workers of America could give them?

Mr. KING. Well, I would rather not discuss the Colorado situation, Mr. Chairman, but I do not want to evade your question. I think they could have received more financial support from the United Mine Workers of America than anything they had within themselves; certainly.

Chairman WALSH. And was it not, therefore, a sensible and just demand that these men should want to relieve themselves of these conditions by dealing with the United Mine Workers of America?

Mr. KING. I think they were fully justified in presenting the demand on any grounds they cared to present it on, and I should think they would be justified in presenting the point of view you have just given.

Chairman WALSH. Have you read the report of the United States Commissioner of Labor, Mr. Carroll D. Wright, in regard to the deportation of men during the Colorado strike of 1904?

Mr. KING. I have not read it yet, but I have it noted among the documents I intend to read.

Chairman WALSH. I believe you stated you had information generally of what took place in that strike of 1904?

Mr. KING. I have some information.



Chairman WALSH. Do you consider that those men who were driven from the State were justified in taking up arms to resist such an invasion of their constitutional rights?

Mr. KING. I do not believe that usurpation of rights should be tolerated for one moment, no matter who is responsible for it. I feel pretty strongly that the best way to prevent a recurrence is not always to resort to unlawful acts—to resort to what might be construed as unlawful acts. I do not like the idea of trying to take the law into one's own hands, so to speak, although there may be times when it is pretty difficult to keep from doing it. I would not for a second, however, justify deportation.

Chairman WALSH. When those men were being deported violently and without regard for the constitution and without regard for their rights as citizens and without regard to their property rights, illegally; in other words, would you consider they were justified in taking up arms to resist that violence?

Mr. KING. I would have gone about it, I think, in a different way if I had been their adviser in the matter, or if it was in my own case I would not have tried to resist with arms; I do not think I would have shouldered a musket in that way.

Chairman WALSH. What would you have done?

Mr. KING. I would have brought up the matter in every public assembly in the United States, and I would have sought to bring to bear this public opinion you speak of on a condition that was wholly wrong.

Chairman WALSH. If you were one of the men?

Mr. KING. If I had been one interested in that particular situation—toward improving it—

Chairman WALSH. If you were one of the miners and a man came to you armed with a club and just undertook to drive you across the lines.

Mr. KING. Yes.

Chairman WALSH. To another State line.

Mr. KING. Yes.

Chairman WALSH. And you were weak and you were not fed on the way?

Mr. KING. Yes.

Chairman WALSH. And you were struck with a club on the way over.

Mr. KING. Yes.

Chairman WALSH. That you were driven on over, and when you got to the place he was willing to let you go then you would begin agitation in all public assemblages rather than resist the man with a club?

Mr. KING. I would want everyone to know of the injustice in order to help arouse the resentment of the people against the injustice.

Chairman WALSH. If you were only one man under those circumstances, what would you do if you were a laborer? This was in Utah, but they did not drive them all the way?

Mr. KING. I would bide my time and try to prevent further injustice in the future. If I was weak, I would not try to fight back with a club.

Chairman WALSH. If you were not weak, but strong muscled and had access to arms, and if the constitution of the State allowed you to bear arms, would you fight back or let them drive you that way and then depend on an agitation afterwards?

Mr. KING. I think, if I were the type of man you describe now, I would test the strength of my muscles.

Chairman WALSH. And your weapons, if you had weapons?

Mr. KING. And the law of the State allowed me to carry them, I would be sorely tempted to do it.

Chairman WALSH. You would do it, would you not?

Mr. KING. I will not say that, but I might do it. Looking at the question particularly as to what would be most in the interests of ultimate justice, I would say I would be much wiser if, for the moment, I could bear with the condition and then make an effort to make the whole condition known, so that a recurrence of it would be impossible for myself or other men.

Chairman WALSH. You knew, did you not, that Mr. Bowers was in favor of driving agitators out of the State?

Mr. KING. I did not know that thing.

Chairman WALSH. You read his letter here?

Mr. KING. I heard what you read here.

Chairman WALSH. "We hope to be able to drive these agitators from the State."

Mr. KING. I guess that would express his idea.

Chairman WALSH. What would be your opinion of the method you would pursue, after you got loose from this man that drove you from Utah, if you came back and started this agitation and would not allow it and drove you out again?

Mr. KING. I would come back again.

Chairman WALSH. You would keep on coming back?

Mr. KING. I certainly would.

Chairman WALSH. Upon whom do you consider that the responsibility for labor conditions in any given industry, under our present system, must rest in the final analysis?

Mr. KING. Well, there are a great many points that would have to be considered there. For example, industrial conditions are dependent in part upon geographical conditions; they are dependent in part upon social conditions; and they are dependent in part upon the stage of industrial development. They are also dependent upon the amount of capital available for investment, and the men controlling that capital, and what they are prepared to do with it. I do not think one could definitely lay down one single circumstance that could account for the responsibility in toto; it is a distributed responsibility, I think.

Chairman WALSH. Who was responsible for the conditions in Colorado?

Mr. KING. I could not and would not attempt to fix the responsibility. The conditions in Colorado, Mr. Chairman, in my mind—in attempting to fix the responsibility a great many things must be considered. The whole question of the way in which government has been carried on; the different features pertaining to the administration of justice; the matters that relate to legislation; all of these factors; these circumstances are factors that help to account for the present responsibility. I think you can not to-day say that any one particular person or group are responsible for conditions; the whole community, to some extent, must share that responsibility. If there had been an appreciation of citizenship on the part of all of the citizens of Colorado, this trouble could not have assumed the proportion it did. And in fixing responsibility you have to take the past into consideration. Just here, in answer to a question, when I said I could not imagine conditions worse than in Colorado, I meant the early conditions and not as they are to-day, and I wish the reporter to make a note of that.

Chairman WALSH. Mention the time specifically you mean.

Mr. KING. We were speaking of conditions of 1913, in the early part, and I am speaking of the opinions I formed from the early conditions in Colorado.

Chairman WALSH. You did not mean the conditions leading up to the strike in 1912 and 1913?

Mr. KING. No.

Chairman WALSH. What about those conditions; were those bad?

Mr. KING. I think in many particulars they were.

Chairman WALSH. I will ask the specific question: Outside of the question of the invasion of the constitutional rights of the workers—that is, their deportation—weren't conditions worse in the last strike than in the strike of 1904?

Mr. KING. I do not know enough of the strike of 1904 to make comparisons; I could not speak with knowledge.

Chairman WALSH. Whom, in your opinion, was responsible for the condition of affairs in the industry of the Colorado Fuel & Iron Co. leading up to the strike?

Mr. KING. Well, I do not know that I would fix the responsibility on any one person. There are a great many circumstances that account for conditions in the Colorado Fuel & Iron Co. being what they are.

Chairman WALSH. You said yesterday that in drafting the original plan for the Colorado Fuel & Iron Co. you were limited in certain respects through the attitude of the Colorado officials. What were the limitations?

Mr. KING. I was limited in regard to the situation in this way; the position was this. The strike was actually on at the time, and the question, as it was stated to me, was a question of the recognition of the union. It was assumed at the time I had this interview that that strike might run on for a number of years; it was not thought the strike was going to end immediately, and the question put up to me was, How can men working in an industry at the present time and feeling that they had not proper representation get that representation in the light of circumstances as they are at the present time in Colorado? In other words, Mr. Rockefeller—and I think the statement he has given the commission will show it—was trying method after method to make suggestions to the officials out in Colorado that would tend to improve the conditions out



there, and they said, "Wait until the strike is over and we will take this up," and Mr. Rockefeller did not intend to wait until the strike was over.

Chairman WALSH. That was stated in correspondence?

Mr. KING. I think it was the general tenor of the correspondence.

Chairman WALSH. Produced before this commission?

Mr. KING. Yes.

Chairman WALSH. They said to wait until after the strike?

Mr. KING. I gather their answer was to wait until this strike was over.

Now, the limitations that I had to consider were these limitations, both in the length of time the strike was running, and that this was a plan to be put in operation notwithstanding the strike was on, and the operators had taken a definite stand toward the question of recognition.

Chairman WALSH. If you had been free of such limitations what recommendations would you have made?

Mr. KING. I can not say at the moment, Mr. Chairman.

Chairman WALSH. In your testimony yesterday, you referred to a paragraph in your letter of August 6, 1914, which you stated had been incorrectly reported; which paragraph was that?

Mr. KING. Which was that?

Chairman WALSH. The letter of August 6, 1914.

Mr. KING. It was the general use that was made of that letter.

Chairman WALSH. Have you the letter here?

Mr. KING. Yes; here it is. [Witness hands letter in question to Chairman Walsh.]

Chairman WALSH. If I got your answer correctly, it was that a paragraph in that letter had been incorrectly quoted?

Mr. KING. It was not merely that letter, Mr. Chairman, but it was the examination wherever it touched myself in particular I had reference to.

Chairman WALSH. But you referred yesterday to the testimony of a witness respecting a certain paragraph in your letter as having been incorrectly interpreted. Which paragraph was that?

Mr. KING. Did I confine it to the letter?

Chairman WALSH. Yes, sir.

Mr. KING. Because, if I did, I should have made it broader than that and should have stated that the testimony with reference, for example, to the legislation that I had introduced and the nature of it and the service I had rendered to labor through that legislation—that is part of the thing I had in mind.

Chairman WALSH. Have you a copy of the letter there?

Mr. KING. Yes; I have it here.

Chairman WALSH. Is this the paragraph you referred to upon yesterday:

"It may be, however, that organized labor in the United States will realize the opportunities and handicaps likely to come to certain industries through the changed conditions of Europe, and will be prepared to cease hostilities where industrial strife at present exists, in order that on the one hand labor may reap with capital a fuller measure of the harvest or, in industries that may be differently affected, protect itself against consequences that are certain to arise. I fear that the view likely to be taken by some of the leaders may, at the outset, be the shortsighted one of endeavoring to persuade their followers that the opportunities which may come to American capital through the crippled conditions of industries elsewhere will induce a recognition which under less favorable circumstances might not be granted. This is almost certain to be the immediate effect, and I think you are wise, therefore, in dismissing altogether from your mind the possibility of the United Mine Workers calling off the present strike, even if under any circumstances short of recognition they would likely so to do. It will not be very long, however, before the inevitable effects of the European war on American labor conditions are certain to make themselves felt, both because of the scarcity of capital available for investment, and the crippled condition of industry on the other side, and once this becomes apparent, the unions will have to revise considerably some of their present policies.

"Having regard to the more cordial relations between labor and capital which, it is hoped, the foundation may be able to effect, it would be fortunate, indeed, if you could, out of the changed conditions which this European war is certain to produce, find a means of restoring industrial peace in the United States in industries such as coal and fuel where there is a certainty of a direct bearing. It may be that among those who are embarrassing the situation in Colorado, there are many foreigners who may feel compelled to return to

Europe, and that may prove an immediate factor of importance. Looking at the ultimate, rather than the immediate effect, there is, speaking generally, going to be a large amount of unemployment as a consequence of this war, and, once the war is over, thousands of men and their families in the Old World are going to seek future employment in the New World. In certain industries it is going to be easy for employers to find all the labor they desire, and unions will be confronted with a new problem. Recognition simply for the sake of recognition, is going to be seen to be less pressing as an immediate end, than that of maintaining standards already existing, and unions may rightly come to regard as their friends and allies companies and corporations large enough and fair enough to desire to maintain these standards of their own accord. For the unions to take a different view will certainly mean to lose the substance of fair conditions while wasting resources in fighting for the shadow of recognition. Here, it seems to me, lies a possible avenue of approach toward restoring normal conditions in Colorado."

What did you mean by "the shadow of recognition"?

Mr. KING. I am greatly obliged to you for reading the entire paragraph. If these paragraphs had been read in that way in New York, I would not have had a word of exception to take to the use that was made of this letter.

Chairman WALSH. Is it one of the paragraphs which you said was misinterpreted?

Mr. KING. Yes.

Chairman WALSH. Which one?

Mr. KING. It is not the particular paragraph; it is the use that was made of a certain construction which was put upon certain sentences.

Chairman WALSH. By witnesses in New York?

Mr. KING. To be perfectly frank, by yourself.

Chairman WALSH. By the way I read that to the witness in New York?

Mr. KING. Yes.

Chairman WALSH. Then it was not the witness, but it was the part of the letter that I read to the witness.

Mr. KING. I think, perhaps, I unduly condemned the witness.

Chairman WALSH. Then read me the part of the letter I read there.

Mr. KING. Let me explain. If you will look over the questions that were asked at that time you will see that an effort was made to have it appear that I had been trying to show Mr. Rockefeller how he could defeat labor unions and such like. This letter is a reply to a letter from Mr. Rockefeller to me, in which letter Mr. Rockefeller said—

Chairman WALSH. Have you that letter there?

Mr. KING. No; I haven't it.

Chairman WALSH. Has it been introduced in our record?

Mr. KING. I think so; yes. In that letter Mr. Rockefeller said he thought the strike would run on indefinitely—that is as I remember it—he said there are only two ways in which it will appear that industrial peace will be restored in Colorado. One is giving up the strike for recognition by the United Mine Workers of America; the other is by the establishment of some machinery which will secure ready means of redress of grievances within the company itself. I was replying to that.

The first statement he made about the strike probably running on a long time I thought was right. I did not think the United Mine Workers of America would call off the strike for recognition as soon as they did. I do not believe they would have called it off if they had not been restricted in their finances.

I have a very strong feeling—I may be wrong in this—that labor makes a mistake sometimes in these long strikes for union recognition. There had been at that time a strike pending in northern Colorado for some four years for recognition. I think, if emphasis were laid upon conditions and injustice that labor is trying to remedy, rather than upon that abstract term "union recognition," the unions would receive more support, and understanding support, from the general public than they sometimes do. I think to carry on a fight for four or five years simply on the question of recognition, and leave the actual conditions out of account altogether, is losing the substance while you are chasing the shadow. What I mean to say is this: Unions need every cent they can get for the work they are trying to do. For laboring men out in the West to be using up their resources in fighting for recognition—the United Mine Workers have had within the last two years several strikes on the question of recognition, which have cost them a good deal in the way of finances. When



this war came on in Europe, by the way, that is a circumstance that accounts for that reference—the war had just started a day or two before and I had it in mind in speaking of this. My feeling was that for the unions to go ahead and use their funds to fight for recognition in Colorado, or anywhere else, was simply a throwing away of the thing they needed to back them in the kind of a situation with which they will be face to face when this war is over. Labor will have a hard time in America, as elsewhere, between two things—between the competition of European labor and the competition of labor in the Orient. My feeling is that true unionism is not an end in itself; it is a means to an end. It is a means of obtaining and improving standards for the working classes.

I was expressing an opinion there as to in what way trade-unionism, in my opinion, could best carry out what was the real objective of its aim. My feeling is, and I think it is shared by some men of the United Mine Workers—in fact, I will go so far as to say that an officer, a very prominent officer, of the United Mine Workers told me himself—

Chairman WALSH (interrupting). Who was that?

Mr. KING. I will not disclose it, but I will state that he was a very prominent officer. He told me that he thought it was a great mistake to have this long fight for recognition; that they had made a mistake in carrying on that part of it. He was not saying he did not think they had a perfectly good cause, but I think he felt if they had concentrated on the grievances they had out there and said, "These are the things we want changed, and if you do not change them we will keep these men out until they are changed," instead of fighting on that one word "recognition," conditions and results might have been achieved sooner. That is what I mean by labor having to revise some of its politics. If labor is going to fight simply for recognition, it may be that while that fight goes on the capitalists will take their capital and invest it elsewhere. They may be chasing a shadow and losing the substance.

I am looking now—I may be wrong, and it is quite probable that a great many labor men will think I am wrong, and I will admit that their point of view is entitled to just as much consideration, I should think probably more consideration in speaking upon the matters that pertain to themselves; but when speaking of policy my feeling is, and I had that idea of Mr. Rockefeller's in my mind when I wrote this letter—he made it plain to me that he did not wish to be associated with an industry that had not high standards, and what I felt was, when this war came on, if Mr. Rockefeller can do what he has indicated to me it is his wish to do—raise the status and standards of labor that he has to do with—he is an ally of the labor-union cause, because he is helping to do the very thing the labor union stands for, namely, a means to a particular end; and I should hope the day will come, and I think it is here now in the minds of a great many workers, that any man who will help to improve the standard of labor, whether he does it in parliament by introducing an eight-hour law or whether as an employer by insisting upon certain conditions being maintained in his own industry, is a true ally of trade-unionism.

Chairman WALSH. You say there were several strikes brought on by the United Mine Workers of America merely for recognition. What were those strikes?

Mr. KING. I have not any exactly in mind.

Chairman WALSH. What States were they in?

Mr. KING. I have not any exactly in mind at the moment.

Chairman WALSH. What strikes were you referring to when you said they had had several strikes merely for union recognition?

Mr. KING. I have in mind particularly the strikes taking place in Canada in the last 8 or 10 years. They spent a great deal of time—

Chairman WALSH (interrupting). Name any of the United States of America.

Mr. KING. I did not have any in mind when I spoke at the moment. There were strikes in Nova Scotia and in British Columbia. They ran on for months and months and months, and what was the result? They were beaten every time. To my mind there is a wrong judgment in the man who brings on a strike and who can not pull it off successfully. I think strike leaders ought to be just in the position of generals in an army. If a general brings his whole forces into the arena and they are destroyed and swept out, the public will soon tell him his judgment was pretty poor. I think labor has probably a feeling of that same sort toward its leaders who precipitate them into long struggles which they can not successfully pull off. I do not say they are not right to go ahead and try to fight, but you have to judge everything by its results.

Chairman WALSH. Let us see about that. The statement has been made before this commission of a concrete case. First, the general statement was made that there was no big strike, no great strike in America that was wholly lost by the workingmen, and a particular instance was given of the southwestern strike, the railroad strike. It distinctly and only involved the question primarily of the recognition of the union. They started an organization, the Knights of Labor, and they demanded of the presidents of certain railroads that they should meet with their committees and recognize their unions, they intending to put in unions and make certain demands. The question arose as to whether or not the president of one of the railroads would receive a committee. It is like they did out in Colorado. The president refused to receive the committee. A strike was called. A man named Martin Irons was at the head of it. It was called the Irons strike. It was accompanied with all the very worst details of a strike. Life was lost, property was destroyed, neighbors were set against each other, civil processes broken down. The forces of the State were threatened, and many injustices claimed to have come out of the situation. Afterwards the companies were active in prosecuting the workers that they claimed took part in the violence, the workers claiming that the ones that took part in the violence for the employers were allowed to go scot free—all those deplorable details.

After many weeks of struggle, after the companies were tied up, covering thousands of miles of territory, the men were required to give in—that is, the strike was lost. It had to be called off. As this witness says, at that time the pay, for the same hours, a switchman received was about \$60 a month as against \$120 now; that that ran all through that industry; that while Martin Irons, as you suggest here, was destroyed—they said he would not do—and he was blacklisted and compelled to go into other business; but while the leaders of that strike did suffer, just as you suggested they might suffer in losing a strike, nevertheless the president of that railroad or of any of the railroads involved in it have never since that time refused to meet a committee of any organization that wanted to call upon them in that southwestern district—that is, organizations such as that organization of labor.

In addition to that the hours of labor have been lessened in many instances. Mechanics in many instances earn three times what they did before that strike began. This man testified, with that backing, that there had been none of these great strikes lost.

Do you believe that when a strike is compelled to be called off for lack of funds, and the leaders are discredited, that the strike is lost?

Mr. KING. Not necessarily; no, certainly not.

Chairman WALSH. Is it not a fact further, and have not you found it, as an expert, further, as has been testified here, that even though the industry is not unionized itself that those that do deal collectively with the organization make the standard which the unorganized industries are compelled to follow?

Mr. KING. Your last statement I agree with very largely—that I think the standards would not be what they are to-day but for the part organized labor has played. But I do not agree with the point of view that was just stated, of anyone who says that no strike was ever lost. I think some strikes have been most deplorably lost and should never have taken place at all, and that no good has come of them, but great harm has come of them. I think the union movement has been impeded to a very large extent by many foolish strikes.

Chairman WALSH. Name the larger ones.

Mr. KING. I will name a large one, one that I have personal knowledge of. In 1903, I think it was, an organization was formed known as the United Brotherhood of Railway Employees—you spoke of a railway, and I will speak of a railway strike, too—on the Canadian Pacific Railway in Canada. This organization had its lodges from Vancouver to Montreal. It was an attempt to bring into the unions some labor not already organized. These men made demands on the Canadian Pacific Railway Co. for an increase in wages. There was a strike on the road. It was not successful. After that strike took place an effort was made to close up the coal mines on Vancouver Island so the company could not get coal to run its trains, because the company had overcome the men in the fight so far as the railway was concerned. I investigated these strikes myself, and what did I find? I found that the man who was the leader of that strike was in the pay of the Canadian Pacific Railway.

Chairman WALSH. A corrupt man?

Mr. KING. Yes; I received—in fact, it was under royal commission, just as this is, and the commission had the power to compel the production of documents. We compelled the Canadian Pacific to produce documents in its pos-



session. Among other things were a bundle of secret-service reports, and the secret-service man was the organizer of the United Brotherhood of Railway Employees. While that inquiry was going on, the men who had belonged to that union brought a charter into the court room. They exhibited it draped with crêpe, and they were asked "What is this crêpe for?" They replied "It is for the murder of Brother So-and-so." "Who was he murdered by?" "By the C. P. R." "How is that?" "The C. P. R. knows that he organized this brotherhood, and they have pursued him, and the man became so distracted that he was taken ill and had to go to the hospital. The brotherhood made some payments to his family while he was in the hospital, but he then died." The C. P. R. at the same time was paying him. These facts all came out. I myself showed this man's report to these very union men. I showed them in his own handwriting how he had been telling the Canadian Pacific Railroad the different things they were doing. When these men saw those reports they asked for transportation on the Canadian Pacific Railroad and went over that road, and they threw the charters—I am speaking metaphorically, of course—literally out of the windows. The union went to pieces.

There was a strike that was thoroughly corrupt and thoroughly bad and brought discredit on the unions and unionism. That strike was lost, and no good ever came of it.

There is an instance of where you may have a union, you may have union methods adopted, you may have the ideals of unionism in the first place, but if your men are corrupt you can not get any good out of it one way or the other; and the unions would be the very first—the unions that respect their own reputation—to denounce that kind of thing.

Chairman WALSH. Who was the president of the C. P. R. at the time?

Mr. KING. I don't know who was the president, but at that time—

Chairman WALSH. You said that the president bribed a man?

Mr. KING. I don't say that the president bribed a man.

Chairman WALSH. I thought you said he was in the pay of the president of the C. P. R.

Mr. KING. I don't say that he was.

Chairman WALSH. Who was the officer that bribed him?

Mr. KING. I don't say that an officer bribed him.

Chairman WALSH. What was done with the officer?

Mr. KING. I don't know who he was, but I do say that kind of a thing was contemptible.

Chairman WALSH. Was he put out of the organization by the railroad officials or did they retain him in his position after the Government discovered it?

Mr. KING. I don't know what was done with him.

Chairman WALSH. Was there any law in the Dominion of Canada at that time that could reach him under prosecution?

Mr. KING. I think that the law is broad enough to cover that.

Chairman WALSH. Was he prosecuted?

Mr. KING. I can not tell you what was done with him.

Chairman WALSH. The officer that brought on the whole strike, the labor leader that was bribed, and it was uncovered, and there was a law on the statute book plainly covering it, but still he was not prosecuted by the Government?

Mr. KING. The Government does not begin prosecutions.

Chairman WALSH. Did anybody prosecute him?

Mr. KING. I can not tell you.

Chairman WALSH. Did you have any official position at that time in Canada?

Mr. KING. I think I was deputy minister of the department of labor.

Chairman WALSH. Would the department of labor be the proper department to commence a prosecution against a man of that kind?

Mr. KING. I think it is the same there as the Department of Labor is here; the department does not interfere with the course of justice one way or the other.

Chairman WALSH. I have been asked to ask you a question that sounds very sensible to me, and I will ask it: Why, if you consider union recognition an unimportant abstract concession, was it so stubbornly refused by the Colorado coal operators?

Mr. KING. I don't say that union recognition is not a thing worth fighting for at times. I say it depends on the conditions. You have to consider each demand in the light of conditions as they are. A union may make a fight for

recognition while there is a good chance of getting it, but it may take a very foolish course if it takes several years' fighting for recognition with no hope for it.

Chairman WALSH. At this point we will stand adjourned until 2 o'clock. (Thereupon, at 12.30 o'clock p. m., Tuesday, May 25, 1915, the commission took a recess until 2 o'clock p. m.)

## AFTER RECESS—2 P. M.

Chairman WALSH. You may resume the stand, please, Mr. King.

Are you making memoranda, or keeping notes of the interviews you are having in Colorado?

Mr. KING. Does that affect the matters this commission is inquiring into, Mr. Chairman?

Chairman WALSH. I think so.

Mr. KING. In what way?

Chairman WALSH. I do not care to answer, and if you do not care to answer, say so. Are you keeping notes of the data you are getting in Colorado?

Mr. KING. I have no objection to making answer, but I do object to answering questions that have no bearing on the questions this commission is inquiring into.

Chairman WALSH. I will allow you to be the judge of that, and if you do not care to answer, you need not.

Mr. KING. I am making notes.

Chairman WALSH. Where do you keep them?

Mr. KING. I am not going any further in my answer.

Chairman WALSH. Think again, and maybe you will go further.

Mr. KING. No; I won't.

Chairman WALSH. Are they in charge of anyone else, or in your possession?

Mr. KING. That is my affair, Mr. Chairman.

Chairman WALSH. Are they kept in New York or Washington, or at your home?

Mr. KING. They are not kept either in New York, Colorado, or at my home at this moment.

Chairman WALSH. In Washington?

Mr. KING. I have nothing further to say.

Chairman WALSH. It is a State secret?

Mr. KING. Yes; a State secret.

Chairman WALSH. That is all.

Commissioner WEINSTOCK. For my information, Mr. King, as well as for the information of the commission, I want to find out just how and where you stand in labor matters; do you stand with organized labor, right or wrong?

Mr. KING. Right or wrong?

Commissioner WEINSTOCK. Yes.

Mr. KING. Certainly not.

Commissioner WEINSTOCK. Are you against organized labor, right or wrong?

Mr. KING. Certainly not.

Commissioner WEINSTOCK. Are you with organized labor when it is right, and against it when it is wrong?

Mr. KING. I am with organized labor when it is right, yes. And I am against it when it is wrong. But, Mr. Weinstock, one would want to study very carefully—one would have to consider just what is meant by your question—some of the actions I might think were right others might think were wrong, and I would want to be the judge of what I thought was right.

Commissioner WEINSTOCK. Exactly; then I take it your answer would be that you were with organized labor when you believed it was right, and that you were against organized labor when you believed it was wrong.

Mr. KING. Yes. But understand this, too, that one may, in answering a question, unconsciously convey a wrong impression, and when I say I am with organized labor when it is right I mean to say that in studying the history of organized labor, organization has been one of the factors that has greatly helped to improve labor and the conditions of labor, and I believe in the right of labor to organize, and when organization of labor is carried on intelligently and fairly and with judgment, it is a very great service to labor.

Commissioner WEINSTOCK. Now, I would like to get your attitude also, for the information of the commission, on the matter of the closed shop. Are you for the closed shop, right or wrong?



Mr. KING. I am not for anything right or wrong.

Commissioner WEINSTOCK. Are you against the closed shop, right or wrong?

Mr. KING. I am not against anything right or wrong.

Commissioner WEINSTOCK. Are you for the closed shop when it is established under the proper conditions, and against it when it is established, in your opinion, under improper conditions?

Mr. KING. If you mean by the "closed shop" that no one shall have the right to be employed by another, I would say that each man ought to be the judge for himself as to whether he wishes to be a member of a group that will exclude other men, or a member of a group that will include others that think differently from themselves.

Commissioner WEINSTOCK. My conception of the closed shop, and I think it is a common acceptance of the closed shop, is a shop where only union men are employed?

Mr. KING. I have had some employers tell me they preferred to deal only with union men, and I have had other employers tell me that they preferred to deal only with nonunion men, and I am sure the men who told me they preferred to deal with union men were as sincere as the others; and I think everything depends on the nature of the union and its status and the service it is capable of rendering, both to itself and the company it is doing business with.

Commissioner WEINSTOCK. Well, now, if a body of workers engaged in any particular industry should, of their own volition, organize and practically establish a monopoly of the business by having all of the workers in that industry in that organization, and did it simply by peaceable persuasive methods, could you find any fault with them for doing it?

Mr. KING. Certainly not.

Commissioner WEINSTOCK. Then, under those conditions, you would not object to what is called the closed shop?

Mr. KING. Following your statement that the means adopted would be perfectly legitimate and proper, and that the exercise of their individual liberty would not be interfered with, and would not interfere with the individual liberty of others.

Commissioner WEINSTOCK. I say whatever part of their liberties they would see fit to give up they would give up voluntarily under those conditions.

Mr. KING. Every man should have that privilege.

Commissioner WEINSTOCK. Would you favor the closed shop for the workers in that industry if it should be brought about by coercion and intimidation and violence to force other workers into the organization?

Mr. KING. I do not think that coercion or intimidation are instruments that are calculated to render permanent service to those who employ them, or do their cause any good.

Commissioner WEINSTOCK. Then, do I interpret your position correctly when I say I understand your position to be that you are in favor of the closed shop where it can be done by persuasion and peaceable methods, and that you are against the closed shop when it can only be established by resort to intimidation, coercion, and violence?

Mr. KING. I am in favor of allowing men, if they desire to be members of a closed shop, to do so, provided that they are able to persuade their fellows that that is the best means of preserving a standard which they are anxious to maintain and can persuade their employers that that is also to the mutual interest of the parties.

Commissioner WEINSTOCK. The question was brought up in this morning's examination as to what you would do as a worker under certain conditions. The picture was drawn of your being a worker, for example, that was alone and helpless and that you were picked up by a group of men in the name of the law and deported and thrown out on a desert, and you gave your answer—

Mr. KING (interrupting). Excuse me, Mr. Weinstock, just before you give that case. I am conscious of how a phrase is sometimes used. I would not like anyone to assume that in listening to my evidence they would be justified in saying that Mr. King stated on the stand that he was in favor of the closed shop. What I have stated, I hope clearly, is that there are circumstances which would make me opposed to the closed shop, and there are circumstances which would make me feel it was perfectly legitimate and desirable, but I do not want to convey the impression to anyone that I am giving evidence for the closed shop or against it.

Commissioner WEINSTOCK. Coming back to the point that I had later taken up, Mr. King; the conditions under which individuals, or collective resistance to authorities, would be warranted and justifiable; if you were a labor leader, what would you advise your followers, if you thought that their political right and their civil liberties were being denied; would you advise them to arm themselves and resist the constituted authorities, even though you knew the constituted authorities in your opinion were exceeding their authority?

Mr. KING. No; I should not; having reference to this country and this period of the history—of political development. You have got to take the element of time into consideration. There have been times in the history of this continent when I think revolution was absolutely justified both for political and industrial reasons, but I think we have worked through that stage, and I hope we have got to a point where men to-day do not need to resort to violence in order to be sure of having justice done their case.

Commissioner WEINSTOCK. You believe, then, that it is entirely possible in this country and under our political system for us to have revolutions overnight, but without a resort to violence?

Mr. KING. Well, I don't think "revolution" comes overnight, Mr. Weinstock. Commissioner WEINSTOCK. Is it not a fact, Mr. King, that you have seen it time and again—

Mr. KING (interrupting). An explosion may come overnight.

Commissioner WEINSTOCK. Yes; seemingly overnight. You have seen one Government turned out overnight—

Mr. KING (interrupting). I am sorry to say I have; yes, sir.

Commissioner WEINSTOCK (continuing). And another different Government with different policies and different aims and different objectives taking its place on the following morning?

Mr. KING. Yes, sir.

Commissioner WEINSTOCK. That that has been a complete revolution.

Mr. KING. I think "revolution" is the right word for it.

Commissioner WEINSTOCK. And without resort to violence?

Mr. KING. Absolutely.

Commissioner WEINSTOCK. And done through legitimate channels and through the ballot and through education.

Mr. KING. Yes, sir.

Commissioner WEINSTOCK. Coming back to my question—

Mr. KING (interrupting). In regard to that "revolution" we are talking about of Governments, I have no reference to any Government in this country, but to the last election in Canada.

Commissioner WEINSTOCK. Does not the same thing apply here?

Mr. KING. No; I would not say anything about the Governments of this country.

Commissioner WEINSTOCK. I am not asking your opinion, but if you do not know it as a fact that revolutions have taken place in this country politically—

Mr. KING (interrupting). Well, there have been political revolutions; yes.

Commissioner WEINSTOCK. Isn't the last presidential election an illustration of that where the policy was completely changed?

Mr. KING. I don't think that "revolution" would be the right word to describe it. When I was commenting on the word a moment ago it was with reference—I thought you would understand the "revolution" I had in mind.

Commissioner WEINSTOCK. No; I did not.

Mr. KING. Well, I meant by that I was in the government that was defeated, and it seemed to me like a revolution.

Commissioner WEINSTOCK. Exactly; well, does not the fact remain, Mr. King, that what we call political revolutions, the complete change of policies, complete change of officials have come under your notice time and again in this country?

Mr. KING. Oh, yes.

Commissioner WEINSTOCK. And in the Commonwealth and in the municipalities and in the country at large as well?

Mr. KING. Oh, yes.

Commissioner WEINSTOCK. And doesn't that prove the fact that it is entirely possible to have a political revolution?

Mr. KING. Yes; in that sense; yes.

Commissioner WEINSTOCK. And without resort to violence?



Mr. KING. Yes.

Commissioner WEINSTOCK. Simply through the use of the ballot, the outcome of education?

Mr. KING. Yes.

Commissioner WEINSTOCK. So, coming back to my question, if you found yourself at the head of a large organization of labor and you felt that the constituted authorities were going beyond their legal rights, beyond their legal duties, and were oppressive, and let us even go so far as to say persecuting your followers, what would be the advice you would give your followers under those circumstances?

Mr. KING. Well, I should advise them to do nothing that would put them in the same position as the men persecuting them, so their case would be very strong when they came to take action against their persecutors, and to seek the redress which the courts and the ballot and legislature and constitutional means would afford them—the press and—

Commissioner WEINSTOCK (interrupting). Am I to infer from that that if you should advise them to do anything other than that you would be playing into the hands of the opposition?

Mr. KING. I should be inclined to think I was; yes.

Commissioner WEINSTOCK. Would it be in the nature of sedition and rebellion to the constituted Government if you were to buy arms and ammunition and arm your men and encourage them to resist the constituted authorities simply because you thought, and perhaps some of your followers thought, the authorities were going beyond their legal bounds?

Mr. KING. Well, that would depend, I think, on the law of the State and the law of the country. Certainly in my own country I should feel it was.

Commissioner WEINSTOCK. Yes. I take it you are sufficiently familiar with the laws of this country to know whether that would be in the nature of sedition in this country?

Mr. KING. Well, I have heard witnesses state here what I had not known before, that there was a law which made it an offense for anyone to carry arms in a certain State. I think if the statutes permitted men to carry arms, I might be inclined to take a different view about the ownership of firearms than I otherwise would.

Commissioner WEINSTOCK. Well, admitting that it may be legal to carry arms, would or would not it be seditious to use those arms collectively—

Mr. KING (interrupting). Against the constituted authority?

Commissioner WEINSTOCK. Against the constituted authority?

Mr. KING. I think that as long as the constituted authorities were in a position to maintain authority, it certainly would be—and were discharging their duties.

Commissioner WEINSTOCK. Well, do you think you would be justified in becoming judge and jury and determining in your own mind whether the constituted authorities were keeping within their legal bounds or going beyond their legal bounds?

Mr. KING. Why, I should not think I was.

Commissioner WEINSTOCK. You would feel that if you did constitute yourself sole judge of that, that you would be usurping the powers of the courts?

Mr. KING. And a function of the State.

Commissioner WEINSTOCK. And a function of the State?

Mr. KING. Yes.

Commissioner WEINSTOCK. Would that, then, make you a desirable citizen if you did that?

Mr. KING. Well, that particular act would be undesirable.

Commissioner WEINSTOCK. From the study you have made of the labor problem, is it your opinion, Mr. King, that favorable public opinion is of value to organized labor?

Mr. KING. Emphatically so.

Commissioner WEINSTOCK. You say it is?

Mr. KING. Yes; favorable, you say?

Commissioner WEINSTOCK. Yes.

Mr. KING. Yes; it is, certainly.

Commissioner WEINSTOCK. Do you think that organized labor can hope to accomplish anything of any consequence unless it has behind it the support of public opinion?

Mr. KING. I think in the long run it has to rely on public opinion. There may be temporary opposition, but any cause that has not got in it what will

bring to it the support of the general consensus of the public won't last very long.

Commissioner WEINSTOCK. Do you believe, then, that even in such a matter as a strike, that the chances of the strike being successful are remote unless public sentiment is with it?

Mr. KING. Well, I think industry to-day is so interdependent, the lives in a community are so more or less related industrially that public sentiment is a very pronounced factor; that whereas in the early days public opinion might have been a small factor and they could have a strike and not affect more than the few people concerned, to-day it becomes more and more difficult to have a strike without affecting everybody; that people are more apt to be stirred to action and to thought when they themselves are affected; and so public opinion is, to-day, I think, more important than it has ever been in the past and will be increasingly so in the future.

Commissioner WEINSTOCK. Now, under what circumstances can organized labor hope to win and retain favorable opinion and under what circumstances is organized labor likely to lose favorable public opinion?

Mr. KING. Well, organized labor in that respect is in the same position as any other movement that is seeking the support of popular opinion. It must strive to commend itself to the public in its actions and in its methods, as well as in its aims.

Commissioner WEINSTOCK. Now, if you have followed these hearings, Mr. King, and have kept in touch with the testimony you are probably aware of the fact that these things have been brought out: That organized labor has elected to positions of trust and honor and responsibility in its ranks and has retained in positions of trust and honor and responsibility within its ranks men tried and convicted of high crimes. What effect is that likely to have upon public opinion?

Mr. KING. Well, Mr. Weinstock, at the moment I haven't in mind anyone who has been convicted of crime and has been retained in office.

Commissioner WEINSTOCK. Let me cite some cases that have been cited here at the hearings. Mr. Frank D. Ryan, president of the structural iron workers, one of the McNamaras, who is the secretary-treasurer of the structural iron workers—men convicted of crime and retained in high places.

Commissioner O'CONNELL. He has not been retained in office.

Mr. KING. I would not want to pass judgment on any man, but I would say, speaking generally, that I think organized labor is just as quick to appreciate as any other part of the public the wisdom of not having criminals hold positions, and if I did not think they would take that view I should feel that they were very shortsighted.

Commissioner WEINSTOCK. Who would you regard, then, as the greatest enemy of organized labor? Would you say that the greatest enemy that organized labor has was the hostile press, or the manufacturers' association, or those that oppose the closed shop, or are the greatest enemies of labor really within its own ranks—those that commit crimes and violence in the name of organized labor?

Mr. KING. I have asked myself that question a good many times, Mr. Weinstock; I am not sure that the greatest enemies are within the ranks of labor itself. I think any man who in the name of labor, assumedly in the interest of labor, advocates measures that are contrary to public policy, is an enemy of labor, and whether he belongs to a union or not, and whether he is a working-man or not does not matter. I imagine the worst enemy of any cause is the man who is purporting to espouse a cause and in reality is serving other ends. I say that, and I don't want to be misunderstood in saying it—it is my view of life generally—that there are people who appear to be advocates of certain causes, and if their motives are sincere I believe in them strongly, but if their motives are insincere I think no good can come, because the motive is the first thing, I think, that is the determining factor.

Commissioner WEINSTOCK. If as a member of society, outside of the ranks of labor, Mr. King, you should criticize the mistakes of labor organizations and do it, not to hurt, but to help organized labor, would it be fair to regard you as an enemy of organized labor simply because you had criticized its weaknesses and failings and shortcomings, or would you really be one of its best friends?

Mr. KING. I think any man is a poor friend to anything, or to a cause, who will see mistakes and try to justify them. I am not so sure that more is not accomplished sometimes by overlooking mistakes and seeking to see the virtue underlying men rather than their limitations, rather than pointing out mistakes



all of the time and omitting everything else. I think the more we learn of life and men the more charitable we become, and I think that a cause is furthered by seeking what is best in it and bringing it out, rather than concentrating upon its limitations or errors.

Commissioner WEINSTOCK. You said a while ago you stood with organized labor when it was right and against organized labor when organized labor was wrong. Now, as a friend of organized labor, when you see that organized labor is wrong, and being its friend I take it that you are desirous of helping it, do you then think you can help it most by remaining silent or by calling organized labor's attention to its error?

Mr. KING. Sometimes I think I can help it most by being silent. And other times I think one can do most by speaking out. I don't think that a man who spends his time preaching to others how they ought to conduct themselves is always a man who is serving the cause or the interest. I think the one who can go quietly to another and persuade him that a different attitude would probably be better and overlook for the time being and hide from the world at large what he is doing, is of greater service than the other. You say when organized labor is wrong, and I think that is putting it too strongly. I would not be against organized labor when it is wrong; I would be against the wrong, but would still be for organized labor. I think we have to be careful in the use of words, and when I say I would be for organized labor, I don't mean by that to have it inferred I have no interest in the men that are not organized. I think they deserve as much consideration as those that are. The question of whether a man is or is not a member of an organization does not change my estimate of him one way or the other.

Commissioner WEINSTOCK. You are the author, are you not, of what is commonly known as the Lemieux Act?

Mr. KING. I was deputy minister of the department of labor when Mr. Rudolph Lemieux was minister of labor and introduced in Parliament an act known as the industrial disputes investigation act. I drafted it, and he introduced it in Parliament, and we divide the honors between us.

Commissioner WEINSTOCK. That act, or a corresponding act, has been adopted by the State of Colorado about a month or two ago—

Mr. KING. I can not say as to that. I did not see what legislation was passed, and I purposely avoided studying it at the time I was there, because when I reached Denver I was asked by one or two men if I would interest myself in legislation in the State, and I said I could not imagine doing anything that would be more justly offensive, and I was very careful in having nothing to do with legislation in that State for that reason. I have not studied it, but I intend to do so and go over the laws of Colorado very carefully.

Commissioner WEINSTOCK. The Canadian act, of which you are the author, in brief, if I recall it rightly, stands for the theory that there shall be no legal strike, there shall be no legal lockout in public utility enterprises until the State has had an opportunity of intervening in the hope of adjusting the difference, and if after such intervention either side, or neither side, is willing to accept the recommendation of the board of inquiry, then a strike might be called, or a lockout; that they are both made legal. In brief, that is the law, is it not?

Mr. KING. I would prefer to put it this way as respects the strike or the lockout—there is no law against the strike or lockout in Canada. An effort has been made to make it appear there is. The act has been interpreted in that way, but to be strictly accurate and tell the truth, it is illegal to have a strike or lockout until a certain step has been taken; that step being a public investigation in which both sides to the dispute are represented. We would say that the act in Canada restrains. In other words, labor says we believe in a strike only as the last resort. Well, as long as the State is willing to provide the machinery whereby a grievance can be investigated at the expense of the State, and by means participated in by the workers, as well as the other side, and conducted in a way that affords to both parties the amplest opportunity for full investigation, you have what would appear to most people a process that should prove most beneficial in what is a just cause, and a very proper course, before the extreme step of a strike or a lockout takes place. If labor says it doesn't believe in the strike until the last resort—I may be mistaken and I would be glad to be shown if I am—where the State provides machinery of that kind, and it is at the expense of the State, the last resort does not come until that step has been taken. If labor is sincere in that view, then the Canadian act takes

away no right from labor that it desires to have. Laboring men, as I understand it, don't strike for the fun of it; they strike for justice when other means have failed. Canada has provided one other means of obtaining justice, and says until this means has been taken advantage of you can not precipitate an industrial contest until after that step has been taken, but after that you can do as you please.

Commissioner WEINSTOCK. Commissioner Garretson, of this commission, who is the president of the railway conductors of America, and whose opinion I think you in common with myself view very highly—

Mr. KING. I don't know any man anywhere that I regard more highly than I do Mr. Garretson.

Commissioner WEINSTOCK. Well, Commissioner Garretson in open meeting at other sessions here has made the statement which left on my mind at least the impression that the act had partially failed in Canada; that organized labor was opposed to it; that the railway men were opposed to it; that it had broken down by virtue of the fact that where the law was violated by large bodies of workers that it was impossible for the authorities to penalize them, and that hence it had not achieved the desired end. Now, you being an authority on the subject, what we would be very glad indeed to have is your views as you know the facts.

Mr. KING. Did I understand you to say that he left that impression?

Commissioner WEINSTOCK. He left that impression on my mind.

Mr. KING. I question, if you ask him about it, that he would convey that impression that way. The facts are these: The act has been on the statutes for nearly eight years, or seven years—no; eight years—and during that time there have been two different political parties in power. I think, if the act had in it elements which were against public policy, an effort would have been made by Parliament to repeal it before this. No effort has been made to repeal the act. We have in the Dominion of Canada the Dominion Trades and Labor Congress, which corresponds, I suppose, to a certain extent, to the federation of labor of this country. The act has been the subject of discussion there, and there have been groups of men who have suggested that it might be wise to repeal it and change it, but during the course of debates in the meetings of the federation of labor itself, the Dominion Trades and Labor Congress, I should say, they have hesitated to pass any resolution asking Parliament to withdraw that act. They asked for one or two amendments when I was minister of labor, and I conceded them, and put them in the act, but there has been no request from the organized workers, as such, to repeal that act, and I should feel that that was one evidence, at least, that Canadian labor felt the act was satisfactory. Perhaps not in all of the details, but some. I have here last year's report of the department of labor on that act, and I notice that the summary given here is that during seven years 161 cases were referred under boards appointed under this act. Out of the 161 of strikes that were not averted or ended there were only 18—that is, there were only 18 that were not averted or ended out of 161 in seven years. I can not feel that in cases where there were no strikes injustice was done, and I can not help but feel that labor found in these cases some other more effective thing than the strike.

In 1913 and 1914, I see that the report gives 19 disputes, referred to boards, that affected coal mines, street railways, railroads, shipping, civic employees, and other public utilities. There were 19 cases, and no strike whatever.

Commissioner WEINSTOCK. In those cases, both sides accepted the decision of the board?

Mr. KING. It happens—

Commissioner O'CONNELL. Am I not right in stating that the board does not render a decision?

Mr. KING. In some cases they do not.

Commissioner O'CONNELL. The law does not require a decision to be rendered?

Mr. KING. I was just coming to that.

Commissioner O'CONNELL. Mr. Weinstock has a wrong impression. They simply publish the results of their investigations without findings?

Mr. KING. That is right; what happens frequently, I think, is that when the parties meet together, in this way, that a settlement is effected as a result of the negotiations that go on.

Commissioner O'CONNELL. The bringing of the people together?

Mr. KING. Yes, sir; and as a result of that the board issues a statement that the grievance is at an end, that they have settled it.



Commissioner WEINSTOCK. I want to make sure on one point here, as I understand, if this board can not agree among themselves while the inquiry is going on—

Mr. KING. Yes, sir.

Commissioner WEINSTOCK (continuing). Does this board, or does it not, under the law, prepare a basis of settlement which in its judgment would be fair to each side?

Mr. KING. If no agreement is reached, then the board issues a report saying what in its opinion under the facts would be the fair thing to do.

Commissioner WEINSTOCK. Then it does render a recommendation?

Mr. KING. It is not in the shape of a definite finding. Some of the reports are a little indefinite in that way. They don't decide a case as a board of arbitration would decide it.

Commissioner WEINSTOCK. Have you a typical report you could read, a sort of index of the usual mode?

Commissioner O'CONNELL. Have you the law there?

Mr. KING. Yes, sir. For example, here is one with reference to a report, it states "the matters were presented to the board and an amicable settlement was effected."

Commissioner WEINSTOCK. I am not interested in that, but where they were not able to agree.

Mr. KING. Here is a report by the board, and a minority report. Each member of that board gave his own opinion. Let me explain how the boards are chosen. The workingmen are invited to name their own member of the board, and the company to name their own member. Each side may choose anyone they wish, and their representatives are given an opportunity to agree on a chairman, and if they can't agree the Government appoints a chairman. A different board is chosen for each dispute, so that the men can choose the men they have the most confidence in, in each particular dispute. The three persons chosen have all the powers that this commission has here. They may bring before them the parties to the dispute, and examine witnesses under oath, compel the production of documents, and so forth, and they then submit a report as to what, in their opinion, should be done. If they all agree, well and good. If not, each man expresses his own views. After the board reports, the parties are allowed to strike, or lockout, as they please. One can not judge of the service of the measure by the number of boards or decisions that come under it. My own opinion is that the act renders its greatest service in preventing situations developing to the point where a strike is likely to take place, or a lockout. Employers know that if labor presents its case and it is fair and they refuse it, it is liable under that act to be brought to public observation and the facts brought in the shape of an investigation.

Had the Canadian statute been on the books in Colorado, in the phraseology that it is in to-day, it would have been illegal for any strike to have taken place until an investigation had been held, and the parties would have been compelled to come together. In other words, the employers, as I understand it, took the position in Colorado that they would not meet the men; that position would have been knocked in the head by this act, because it would have given the men who were instrumental in trying to present the grievances to the employers, it would have given them the right to name a member of the board and to choose anyone they wished, and also the company the right to choose anyone they wished, and then the two of them would choose a chairman. They would also have had the right to appear personally there, whether members of labor unions or not, before that board, and they would have had the right to bring every member of the Colorado Fuel & Iron Co. before that board. There was not a condition in the mines, checkweighmen, or conditions of living, or anything else, that they could not have had fully investigated, and the act would have said, until that investigation is over and the public is fully acquainted with what the conditions are, and can understand them in an intelligent way, you can not strike. I understand there have been 200 persons killed outright in Colorado; those persons would have been living to-day if that law had been on the statute book. There are men under serious criminal indictments. None of these indictments would have been made. The State of Colorado has suffered a great loss to its mining industry and to other industries, and men that had nothing to do with the dispute have had to suffer for a year or more. None of those things would have occurred if that statute had been on the book; and my feeling is that labor, instead of being deprived of any liberty because of the penalty, which says you must postpone your strike until this step is taken, would have been in

a much stronger position in Colorado to-day, and in this country, with the force of public opinion behind it than it can hope to be in view of the confusion that has taken place there.

If industrial statistics prove anything, they prove what has taken place in the past, say 10 or 15 or 20 years, is going to take place in the next 10, 15, or 20 years, and we can say as certain as we are sitting here to-day that before another year goes by men, women, and children in this country are going to be killed on account of industrial strife. There is a way of preventing that, and that is to have labor grievances investigated by the State before a strike is occasioned, and things of that kind take place, and I submit for your action, in the interest of labor and the public—I think you should consider it carefully—whether a great responsibility doesn't rest upon you, appointed by the Government of this country, to frame a measure that will help prevent industrial strife and bring justice to the parties, to see whether there is not in the Canadian act, and what it has done in the last seven years, something that is very deserving of consideration at your hands.

Let me add this: It may be that this act, which works so well in Canada, might not work as well under the Constitution and laws of this country, and that would have to be considered in the light of legislation here. In one particular I can see where it would not be as effective. Under our system of Government a cabinet is responsible to Parliament, and every cabinet minister is responsible for the appointments he makes; and if a man is appointed by a minister, the minister has to consider how that appointment is going to be viewed by the entire public, and, in making it, has to consider that he involves his cabinet as well as himself in the consequences of the acts of the particular man he may appoint. And in that there is a safeguard against anything which may not be in the public interest on the part of the appointees. Whether the same thing would be true in the case where there was not that responsibility on the part of the minister, to be questioned in Parliament or Congress on the acts of everyone connected with his office or appointed by him, is a matter that would have to be considered in that relation. There may be other features as well.

Commissioner WEINSTOCK. I gather from the figures you read that there have been 161 disputes submitted to these various boards within eight years?

Mr. KING. Within the last seven years.

Commissioner WEINSTOCK. And out of that number but 18 strikes?

Mr. KING. But 18 strikes.

Commissioner WEINSTOCK. So there would be nearly 90 per cent of the cases in which strikes were avoided?

Mr. KING. This act is limited to industries in the nature of public-service utilities—coal mines, railways, telegraphs, and so forth—and not to others.

Commissioner WEINSTOCK. Have you any figures, Mr. King, that would go to show the number of strikes that have occurred in the same industries for the eight years prior to the enactment of this law?

Mr. KING. I have not got them here, but can get them, and would be glad to supply them.

Commissioner WEINSTOCK. Do you know from memory how they compare?

Mr. KING. No; I do not.

Commissioner WEINSTOCK. Anyway, there were just 18 strikes?

Mr. KING. I think the strikes before would correspond in numbers much more nearly to what the number of investigations has been under the act than to the number of instances in which the strike occurred.

Commissioner WEINSTOCK. Then approximately—there had been approximately 161 strikes in the preceding eight years?

Mr. KING. I think the act in the industries to which it applies has cut down the strikes in Canada pretty nearly 80 or 90 per cent; that would be my estimate of it. But, Mr. Weinstock, let me illustrate further. You can not say from statistics how far-reaching that law may be, but I should like to illustrate it by a concrete example. In January of this year the Grand Trunk Railway Co. served notice on its employees that it was about to introduce a new wage scale. Under this act no company to which its provisions apply is allowed to change conditions with respect to the hours or wages of its employees without giving 30 days' notice, and if the employees object then the company has no right to put that change into effect until there has been an investigation.

The minute the company served notice on its employees of its contemplated change of wages, which meant a reduction, that minute the employees called attention to the act, and the fact that a company making the change without



such notice would be liable to a penalty of \$1,000 per day. The company urged that the war conditions had made it necessary to reduce wages, but when brought face to face with having an investigation the question of cutting wages was dropped, and the parties got together and they settled the matter in a manner satisfactory to each, and there was no reduction.

Now, I may be wrong, and I don't want to do the Grand Trunk Railway Co. an injustice, but I do believe that if that statute had not been on the books the chances are that those men, seeing that a plausible case might be made out and that owing to the war conditions it was difficult to go on paying the same rate of wages, they might have had to resort to a strike to hold their position, and to that extent I think a case like that helps to illustrate the service a measure of that kind renders. The parties have got to be pretty sure they have a case they can make out before the public before they throw the whole of society into the possible confusion that may result from a strike.

Commissioner WEINSTOCK. The prime objection that has been raised to the Canadian law by organized labor is that it robs the worker of the right to strike.

Mr. KING. I want to explain that it does not.

Commissioner WEINSTOCK. Let me finish. They admit it does not rob the worker of the permanent right to strike, but it robs the worker of the right to strike pending the investigation, and that organized labor feels that it is not right to deprive labor of the right to strike; as one of the representatives of organized labor said, occupying the very chair you are occupying now, "Not even for one moment." Now, what is the answer to that objection to the law, in your opinion, as a result of your experience?

Mr. KING. Well, you understand that when the State says to labor, "We ask you to postpone your right to strike," the State does not confine its request to those terms; under this act it says, "We will give you something more effective than the strike as a weapon wherewith to get justice, and we ask you to use that instrument before you use the other," and the penalty, so far as it is a matter of concern one way or the other, is simply a means whereby the use of this very effective instrument is insured; it is to prevent hasty action on the part of persons who possibly have not the fullest sense of responsibility from taking a hasty step.

Commissioner WEINSTOCK. You believe, then, that the cost to organized labor would be postponing their right to strike and that the compensation they get in return far outweighs that cost?

Mr. KING. Most emphatically I do, Mr. Weinstock. I can not see for the life of me any reason why labor would want to strike if it can gain its ends without a strike. What does a strike mean? That they give up for the time all their earnings, their income; they begin to accumulate debt; it makes all kinds of unhappiness possible. Labor is not interested in creating that condition for itself, except for one reason, and that is that it can find no other way of getting what it believes to be just. I would be the last one in the world to take away from labor any means it has to get justice, for I think labor needs all the help it can get; but I do not like to see labor get in wrong with the general public by precipitating hasty action that may not land them anywhere in the end when I can give to labor an instrument for getting justice that will avoid the possible losses which a strike will incur and which will put them in a position, if they do strike, that they will be much stronger.

My contention is that if the men out in Colorado whom we have been talking about had had an investigation and that there had been brought out some of the features brought out here, and the employers had not changed those features, and the men had struck, they would have had the support of the country from one end to the other; they would have had the people back of them and been in a position to fight; but when they are put in the unfortunate position that they have been that is impossible. I think if they had this law in Colorado they would have had this investigation, and the strikers themselves would have wished it; but they did not have it, and went out and had the strike, and what compensation conceivable can they have for the loss of life? What compensation can the State or Government give to a man who has lost a life that is dear to him?

It is the duty of the State to seek to preserve individuals from incurring sacrifices of that kind, if the means can be found to do it.

Commissioner WEINSTOCK. The next objection that has been raised against that act is that, assuming it takes from 30 to 40 days to make the inquiry, in the interval it affords the employer an opportunity to get ready to meet the

strike, should the workers not be willing to accept the recommendations made by the board of inquiry. What answer have you to that objection?

Mr. KING. Well, there is this answer: That this act is full of penalties, some of them pretty severe, one clause—I remember of writing this myself [reading]:

“If in the opinion of the board either party uses this”—that is, the provision which requires them to submit their difference and have it investigated—“if either party uses this or any other provision of this act for the purpose of unjustly maintaining a given condition of affairs through delay, and the board so reports to the minister, such party shall be guilty of an offense and liable to the same penalties as are imposed for violation of the next preceding section.”

Now, let me add this, further, that a minister is responsible for the carrying out of that act—not merely the letter of it but the spirit of it. If a similar measure were enacted in this country, it would be under the administration of the Department of Labor, and, I presume, of the Secretary of Labor. When I held the position of secretary of labor in Canada I never allowed the board to wait longer than 15 days on any single dispute that it had before it without the written consent of both parties to the further delay; and during that couple of years it was possible to have that law administered in that way. It is all a matter of the sincerity and purpose of the men who are administering a measure and who are in harmony with it.

Commissioner WEINSTOCK. Did any instance come under your notice of employers taking advantage of the intervening period and getting ready to meet the strike?

Mr. KING. I do not think there is anything in that, one way or the other, Mr. Weinstock. There may be a reason for employers to get ready for a strike if they can keep secret conditions that precipitate a strike—in ignorance, so far as the public is concerned—public ignorance of general conditions. But what is the use of getting ready for anything if all along the way you are being exposed by a board that has at every moment the right to bring in and put before it every single member of a company or person concerned with it and find out whether they are taking any step that is prejudicial to the other side. And I am sure that if any gentleman on this commission were on a board of this kind it would be the very thing he would do if he thought there were unfair actions of any kind. You see you have to read the act in the light of every circumstance and the light of the means that it affords.

Commissioner WEINSTOCK. Do you know of any case—

Mr. KING (interrupting). No; not a single case.

Commissioner WEINSTOCK. Since this act has been enforced—

Mr. KING (interrupting). No.

Commissioner WEINSTOCK (continuing). Where the following has happened?

Mr. KING. Oh, I thought you had gone back.

Commissioner WEINSTOCK. That during the intervening period from the time the investigation began until it ended employers did prepare themselves for a strike, that the workers refused to abide by the recommendations made by the board, that they did go on strike, and that they lost the strike by virtue of the fact of the employers having employed the opportunity to prepare for it? Do you know of any such case?

Mr. KING. No such case; no.

Commissioner WEINSTOCK. Do you know of any good reasons, then, why the same law should not operate reasonably well in this country?

Mr. KING. Well, I have mentioned to you one or two considerations that I think ought to be taken into account, and I think they are very material and important considerations.

Another thing that I think is important: This illustrates where the labor problem is such a difficult one. It is bound up with a mass of other considerations. The judicial system of a country has a good deal to do with the way in which the laws are administered. Personally I believe in appointing judges, the entire judiciary, and magistrates, sheriffs, and officials of that kind for life, so that when a man gets office he will administer the law in such a way that—well, make him subject to removal only for malfeasance in office. Then when a man is appointed to a judicial position his aim is so to conduct himself that he will inspire confidence in himself, in the law, and the country. Now, where you have a system of electing judges every two years, and magistrates and others are subject to popular vote, and the administration is in the hands of men who are thinking about whether they will be returned to office again in the next two years, you do not have the solid foundation for law and order which you get under the other system. And an act that might work very well



under a system such as I have outlined, that exists in the Dominion, might not work with equal effectiveness where the system is different. You have to take all the institutions of a country into account. You can not say that any one piece of legislation will suit anywhere else; but the principle, I think, is absolutely sound.

Commissioner WEINSTOCK. But if such an act should be established for interstate commerce, for example, the adjudication would all be brought into the Federal courts, where the judges are appointed for life?

Mr. KING. Yes.

Commissioner WEINSTOCK. Should it not work out under those circumstances?

Mr. KING. So far as the judicial factor was a consideration, that feature would be removed as a possible consideration or objection.

Commissioner WEINSTOCK. You pointed out what might have been saved to Colorado and the people if this law had been in operation prior to the 1913 strike. Now, that the law has gone into operation in Colorado, is it not likely then to tend to prevent a repetition of these unfortunate circumstances there even though nothing more were done?

Mr. KING. Tend to, I think; yes. But let me say this, Mr. Weinstock: I have not read the Colorado act, and I would not know until I saw its provisions whether they were so framed as to meet all the points that I have in my mind. Calling an act by the same name does not make it the same act.

Commissioner WEINSTOCK. I have read it rather hurriedly, and as nearly as I can recall I think the salient points there are in harmony with and modeled after the Canadian act.

Mr. KING. Well, I think in one salient point it is not, if what I have been told about the act is correct. In Colorado the board is a permanent board, and that one board does the investigating. I may be wrong in that. Under the Canadian act for each dispute there is a separate board. That is a very different thing. For example, in Canada, where the dispute is a dispute between the miners and the coal companies, the miners themselves would choose their own representative on the board and choose whomever they wished to go and represent them before the board. Now, if in Colorado it is a permanent board, that is a very, very different thing. I do not say that it may not be equally as good a thing if the men on that board are men that inspire confidence. It may be very helpful. But confidence lies at the very basis of helpful work.

Commissioner WEINSTOCK. You know in the case of our mediation board which acts under the law relative to railroads it is a permanent board, and has worked out well.

Mr. KING. I believe so.

Commissioner WEINSTOCK. Then the fact of being a permanent board don't necessarily mean failure?

Mr. KING. No; it depends on the character of the men and the degree of confidence they inspire.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. Mr. O'Connell desires to question you.

Commissioner O'CONNELL. Do you know of the compulsory features connected with the Colorado law?

Mr. KING. No, sir; I do not.

Commissioner O'CONNELL. Do you know whether there are any compulsory features in connection with it?

Mr. KING. No; I have not seen its provisions.

Commissioner O'CONNELL. I think if you get the law and read it, it has no analogy whatever with the Canadian Lemieux Act—the compulsory features.

Commissioner WEINSTOCK. Which law are you speaking of?

Commissioner O'CONNELL. The Colorado law. Now, while we have had discussed this bill or the Lemieux Act lots of times before us very thoroughly—

Mr. KING. Yes.

Commissioner O'CONNELL. It seems like reiterating, and I do not want to go over it again excepting these one or two questions that I want to ask. I do not think they were brought out before. Why did not the Lemieux Act apply to all industrial institutions in Canada?

Mr. KING. Well—

Commissioner O'CONNELL (interrupting). If it was good for the railroads and street cars and gas companies and electric light companies and all other

commonly so-called public utilities why was it not good for the Federal and commercial business?

MR. KING. Well, there are two reasons, as I remember it: One is in enacting legislation which introduces a new feature sometimes it is just as well to make the field limited rather than comprehensive at the outset, to give the parties a chance to see how a measure is going to work in actual practice. There was an obvious reason why in limiting it it should be limited to industries in the nature of public utilities that these were industries that affected the general community to a greater degree than other industries. That is, a strike on a railroad is much more of an inconvenience to the public than a strike in a blacksmith's shop or a tin shop or printing shop. That is one reason.

Then another reason was this, and here again you have a feature that has to be considered. This act was to be administered by the Federal Government in Canada, and not by the Provincial governments. And when it came to administering an act that applied from the Atlantic to the Pacific it seemed on the whole wise not to make it too wide in extent or scope at the outset. We thought that if we could make it successful in regard to the industries to which it applied under the Federal Government, perhaps the Provinces might then see fit at some time, in regard to local industries, to bring the same system into use, if necessary.

Commissioner O'CONNELL. For eight years you say the act has been applied there successfully, and has prevented about 90 per cent of possible strikes—

MR. KING (interrupting). Between 80 and 90 per cent.

Commissioner O'CONNELL. Per cent of strikes that have been prevented. With that experience, has there been any effort to extend the law?

MR. KING. There have been different applications come before the Government to extend the law, but none of them have been acted upon up to the present time.

In regard to the other strikes, Mr. O'Connell, my feeling is—if you will look at the record of the strikes, the other strikes are not, for the most part, of much significance in the Dominion; they are very local. They have not affected industry to any great extent or embarrassed anyone. If there were a great, big strike in some local industry, I should not be surprised—

Commissioner O'CONNELL (interrupting). Yes. Now, it is easy to say that there have been perhaps 126 strikes, or 1,000 strikes or cases that were brought before the board and 900 of them were settled.

MR. KING. Yes.

Commissioner O'CONNELL. That does not mean anything unless you told us whether 90,000 or 100,000 men were engaged in them, or whether 1,000 men were engaged in them. There may have been more men involved in one strike that was investigated and did occur, or where the men violated the law and went on strike, than all the others that were settled.

MR. KING. Quite right.

Commissioner O'CONNELL. You must have something on which to base not only the number of occurrences that came before the board, but also what number of people.

MR. KING. Well, I will take one other thing with which I think you will agree clearly, namely, the result in the other cases.

Commissioner O'CONNELL. Yes.

MR. KING. So far as I know, in Canada every single strike that has taken place, either in violation of the act or of terms of settlement recommended after investigation, there has not been one in which a single condition was secured that was an improvement upon what the board itself had recommended; and I think in nearly all cases the strikes were lost.

Commissioner O'CONNELL. Take, for instance, the strike of miners that occurred in British Columbia—

MR. KING (interrupting). A complete failure.

Commissioner O'CONNELL (continuing). Say it was a failure; but I think since that time the thing has been adjusted—since the time it was declared a failure; but regardless of that, what was the number of people involved in the violation of that law—of the workmen that declined to go along with the law?

MR. KING. Oh, quite a number.

Commissioner O'CONNELL. Were not there a number of thousands engaged in that?



Mr. KING. I should think there might have been 2,000. I don't think there were more than that.

Commissioner O'CONNELL. Yes; there were so many engaged in it that there was no attempt on the part of the Government to put the law into effect.

Mr. KING. Well, there has never been—

Commissioner O'CONNELL (interrupting). In so far as punishing people or locking them up is concerned.

Mr. KING. Well, there has never been any attempt on the part of the Government to take the initiative in prosecutions under this act. It has not been necessary, for two reasons: For the reason that labor has not sought deliberately to violate the act. In one or two instances where it violated the act the Government has taken the position that if the parties to the industry are not sufficiently interested to try to enforce the provisions of the law, so far as the penalty is concerned, or the community is not sufficiently interested, it would not be rendering a public service to prosecute the offending men; and for that reason, I say, the penalty feature of the act, excepting for the service it may render in preventing extreme men from taking extreme actions sometimes, is quite a secondary feature.

Commissioner O'CONNELL. Now, Commissioner Weinstock said there were several reasons why labor objected to this law; but he has not given you the main reason. The main reason is that labor is opposed to the position of being placed in subjection to compulsory—either compulsory mediation, compulsory conciliation, or compulsory arbitration, or compulsory anything. Labor does not believe in the word "compulsion" in the law. Now, that is the main thing that labor objects to in the Lemieux Act.

Mr. KING. Yes.

Commissioner O'CONNELL. Now, you do not find that in this country for many, many years. He has been speaking of compulsory ways of doing things—compulsory arbitration, compulsory conciliation, compulsory investigations, and all that sort of thing. I think the public mind in the United States has been cleansed from ideas of compulsory arbitration or compulsory settlements, believing that compulsion does no good to amount to anything, because if you compel men to do this or that they will break over. Now, labor objects to the Lemieux Act because of its compulsory features, and, in addition, I want to state the reason why.

Now, we have in the United States what is now known as the Newlands Act, which was formerly the Erdman Act, under which all railroads come. It is not compulsory. They don't even go to a railroad or an employer and say you must come before us under any circumstances. Both parties must come to this board here and say, "We want you," or they can not interfere. There is not a thing compulsory about it. Yet since this board has been in existence there has not been, I venture to say, actually to my knowledge of the situation there has not been over two or three very small strikes since the Erdman Act went into effect in this country without the word "compulsory" attached to it at all. Now, that is the thing, and the opposition of labor makes that without compulsory investigation or arbitration or without this board being in the position to say to railroad men on any system or to railroad employers on any system, "You must appear before us and try and adjust this thing." They have not got a scintilla of compulsion in connection with the make-up of that law. Yet they have been able to avoid practically all railroad strikes in our country for a great number of years, as you know. Well, there have been—actually been one or two break-overs—but they have been very small. It has been almost so small as scarcely to be worth speaking about.

Mr. KING. Well, I concur—

Commissioner O'CONNELL (interrupting). Now, labor objects to the compulsory feature, not only in that law, but in any other law.

Mr. KING. Let me explain. I agree with you, naturally, if you can get an act that will give you the same result without a compulsory feature it is desirable not to have that feature. I think in the case of railroads there have been few strikes. Why? Because the parties have brought their disputes before this board in a voluntary way. With the railway labor is well organized. The men who are at the head of the railway brotherhoods are extremely able men, men seized very strongly with a sense of the responsibility they have, and these men see the wisdom both for themselves and their fellows of trying to get matters settled by investigation in the first instance, and they set the example and do that, and I think they are men that understand the wisdom of negotiations and of taking advantage of the laws of this country. But when you come to some other industries in this country the same can not be

said. Think of the condition of labor and of the experience of the men who lead it and you see why, while one result may obtain in the case of the railroad, it is questionable whether it would in some other instances.

Commissioner O'CONNELL. We have had in this country some of the most disastrous strikes, some of the greatest destruction of property in our railroad affairs that we have had in our entire industries, our entire industrial strikes in the United States.

Mr. KING. But the destruction of property has not been——

Commissioner O'CONNELL. That is, in years gone by.

Mr. KING. That has not been the thing that has gained for labor the advances that they have made. They have made their advances in spite of destruction. In regard to compulsion, every man gives up a certain amount of his rights for the good of society as a whole. If a man slanders me in the press, my feeling is to go and smash his head, but I don't take that action. I have to go to the law. I have surrendered my right to society. It is true of all law; you can not justify restraint unless you gain a wider measure of liberty from and for society as a whole, and wherever you have that by restraining men for a time the amount that is lost is insignificant compared with the great gain.

Commissioner O'CONNELL. Labor's first objection to the Lemieux Act is its compulsion. If you succeed, as you say, then you have succeeded by this compulsory primary negotiation of stopping them, and it is only a question of time until your legislatures or those that have the enforcement in Canada will succeed in making it compulsory on them that you must adjust it under the law, and that becomes repugnant to American workmen.

Mr. KING. And also to each British workman. But instead of putting it as the entering wedge I should be inclined to put it as the widening of the horizon or the extension of area over which you give the laborer a new instrument in securing justice. Take to-day, in your civil rights, a man can go to court and get his rights adjusted without resorting to violence. Up to the present time labor has not had that right with respect to the one commodity it has to sell—its labor—and I would put it, extending the bounds of liberty to a man, rather than a restriction or an entering wedge in the direction of compulsion.

Commissioner O'CONNELL. I think I understand it, and we have discussed that so many times before that we will leave that subject.

I want to go back a little to the question of sedition that Commissioner Weinstock discussed with you, as to whether the workmen who armed themselves—and if that did not mean sedition. Have you heard the testimony of the officers of the Pennsylvania Railroad Co. before the commission at this hearing here?

Mr. KING. No, sir.

Commissioner O'CONNELL. The testimony before this commission by the highest officials of the company—at least the general manager and vice president and others—was that they had stored at their Philadelphia headquarters several thousand firearms, many thousand rounds of ammunition, police clubs, and all characters and kinds of instruments for the destruction of a human body that you come in contact with; that they were kept there for the purpose of immediate use—of using in any means whereby they would keep the trains of that road running. It meant if a man tried to prevent a train running, they had a perfect right to shoot him and get him out of the way so that it could run; that that right was claimed for the purpose of getting the trains over the road and in the interest of the stockholders.

Now, would you call it sedition for a corporation so great as the Pennsylvania Railway system, traversing through a number of our States, storing and turning a portion of its great Union Station in Philadelphia into a public arsenal for the purpose of holding their firearms there, and all kinds of ammunition, and all instruments for the destruction of human life and property, prepared to go into war of any kind or character to keep their trains running, regardless of what human it was necessary to put out of existence?

Mr. KING. My opinion is that in properly constituted, organized society no one except the public authorities should be permitted to either carry or store arms. The law itself should be administered by the officers of the law, and no individual or corporation, whether they be organizations of labor or organizations of capital, should be permitted to equip themselves with any outfit which implied that they were going to take the administration of the law into their own hands. A large railroad company may find it necessary to keep on hand a few rifles or give a few revolvers to their men that are running the trains to protect them from highway robbery and of train holdups. There may be justi-



fication for a thing of that kind, but as to storing arms to fight labor organizations, it is a thing that ought to be made a criminal offense and the whole spy business with it. I think it begets no end of trouble. I think that they would not have had a war in Europe to-day if it had not been for the spy system.

Commissioner O'CONNELL. Commissioner Weinstock asked you if you believed in labor, right or wrong; or the closed shop, right or wrong; and two or three other questions regarding the right and wrong thing that I don't just now recall. The implication is, or the impression conveyed to me was, labor right or wrong. That the mere fact that an individual laborer committed an act in violation of law does not mean that labor was wrong?

Mr. KING. Certainly not.

Commissioner O'CONNELL. It does not mean, for instance, that if a member of a trade-union during the time of strike or strife—that if he happened to get drunk and locked up that the whole trade-union was drunk and locked up?

Mr. KING. Certainly not.

Commissioner O'CONNELL. It does not imply that simply because a few individuals of a trade-union or labor do something wrong that the whole proposition is wrong or that a local union or number of men of a union make a mistake in their demands upon employers and make radical and outlandish demands that labor is wrong?

Mr. KING. Certainly not.

Commissioner O'CONNELL. The laborer, or a number of laborers or union men, are liable to have a wrong conception of the purpose for which they are organized? They organize rapidly at times, and many have no knowledge or conception of organization. Only overnight they are organized and come into the field of organized labor, and the next morning they start out to revolutionize modern society simply because they have organized. They do wrong and commit crimes and break laws, and life and property is sacrificed, but that does not convey the idea to you that labor is wrong?

Mr. KING. Certainly not. These individual acts are wrong, and would be wrong if committed by a party of persons. I would not condemn the church because there are some scoundrels in it.

Commissioner O'CONNELL. We do not have laws on the statute books to make people do right.

Mr. KING. Certainly not.

Commissioner O'CONNELL. We do have them there to punish those that do wrong?

Mr. KING. Certainly.

Commissioner O'CONNELL. If they had the effect of making us do right, we would be making many more laws than we are?

Mr. KING. Certainly.

Commissioner O'CONNELL. That is my conception of right and wrong, and the right and wrong of the closed shop, as the employer calls it, the open and closed shop; the union man calls it the union and nonunion shop. The evidence before this commission indicates a very large number of the most radical advocates of the open shop are operating nonunion shops; absolutely closed to union men. Now, the corporation that you are now employed by—

Mr. KING. Excuse me, I am not employed by any corporation.

Commissioner O'CONNELL. I will withdraw that. The Colorado Fuel & Iron Co., which you are acquainted with?

Mr. KING. Yes, sir.

Commissioner O'CONNELL. At its four mines in Sunrise, Wyo., it operates not an open shop so-called, but an absolutely nonunion shop, and it is a shop that is closed absolutely to union men. You can not work there if it is known you belong to a union. In the Colorado field they talk about the open shop. If they practice the open shop at one portion of their employment, they certainly must mean the same thing at another point of employment, if their men are truthful at all. Can you see it in any other light?

Mr. KING. I don't quite understand the question you ask me.

Commissioner O'CONNELL. I asked you if the Colorado Fuel & Iron Co. can operate publicly in one of their camps in Sunrise, Wyo., what they do as an absolutely closed shop to union men, and in Colorado bringing on a great struggle between thousands of workmen and a great number of corporations in that State, in which lives are lost and property destroyed, in what they are pleased to call the open shop—if there is any way to modify or bring those two things together?

Mr. KING. I would not like to acquiesce in the statement that they brought on that struggle.

Commissioner O'CONNELL. They claim they resisted it because the men wanted a closed camp, or closed mine, where only union men were employed?

Mr. KING. That may be the argument that was urged by the men.

Commissioner O'CONNELL. Not by the men, but by the company. They say, "The men demanded of us an absolutely closed shop where only union men could be employed, and that we declared to be un-American, and all that goes with being un-American, and we won't stand for it, and we will fight first." And they did fight; the result of which you know was the horrible picture that has been painted, not of imagination, either, but things that did occur for this principle of open shop, the right of American people to work under what conditions they pleased, for whomever they pleased, and wherever they pleased, and whenever they pleased. A few miles from there they are operating an ore mine where they say no union men can be employed, it is not a place where any man can be employed, and I say to you, is that a consistent situation?

Mr. KING. It would not be consistent to say they are favorable to the open shop under the conditions that you cite.

Commissioner O'CONNELL. You have heard all of the testimony here?

Mr. KING. I have answered your question about consistency; I have not heard all of the testimony.

Commissioner O'CONNELL. I want to straighten out the record on this question that Mr. Commissioner Weinstock asked you, if you thought labor was justified in retaining in office men who were found guilty and convicted of crime, and cited to you the case of Mr. Frank Ryan, president of the structural iron workers, and who is now in the penitentiary at Leavenworth, Kans., I believe. The fact is that Mr. Frank Ryan has not been retained in office, and is not the president of the structural iron workers at this time; he was retained as president of that association up until the time his case went as far as it could be carried to justify all as to whether his conviction was justifiable or not. It was carried to the courts, the Supreme Court, and he was decided against. At the next election of that organization another man was elected president of the International Structural Iron Workers, and Mr. Ryan has not continued in office. Now, Mr. King, would you give labor the same right to organize as capital enjoys?

Mr. KING. Yes, sir; I would.

Commissioner O'CONNELL. Do you think anybody questions that seriously now? We recognize that capital will make mistakes. Great organizations of capital are brought before the courts and punished for various offenses. We have heard of the Standard Oil Co. being fined many million dollars by a judge in Chicago, and all that sort of thing, but, of course, it was never collected, but they committed the same offense and are brought up before the courts—

Mr. KING. Human nature is the same.

Commissioner O'CONNELL. Whether it is the employer or employee?

Mr. KING. Yes, sir.

Commissioner O'CONNELL. So that even if labor does commit, in the name of labor, if you will, violence, human life is sacrificed for what they believe to be an elevating purpose—there has no great struggle taken place in the interest of humanity or in the interest of the world in which life has not been sacrificed for the uplifting of humanity. History repeats that thousands of times, over and over, and so with all its frailties and weaknesses, it has the same right to organize as capital has?

Mr. KING. I think so.

Commissioner O'CONNELL. For its own protection for whatever it thinks best to do?

Mr. KING. I think so.

Commissioner O'CONNELL. Do you think that there is a possibility of labor unorganized protecting its interests in this modern, humdrum of society and industrial world in which we are now living—and the small employer has almost disappeared?

Mr. KING. I think it is distinctly difficult; yes, sir.

Commissioner O'CONNELL. It is impossible for him to reduce his hours of labor, increase his wage, and better his condition of employment. A man, for instance, employed—I do not cite the case, there may be causes for it, but the name appeals to me, the United States Steel Corporation, employs 250,000 people; do you think that one man or a few men, or unorganized men, could improve their conditions in that great army of men?



Mr. KING. I think you have to always take into account the strength of the force that we are seeking to uplift and the force opposed to it. If the force that is opposed to the other is distinctly trying to crush it down, certainly the lack of organization is a terrible handicap, but I would not like to imagine that the employers who have not seen their way to have organizations among their own workmen have had in mind the crushing of labor as the particular motive. I think as far as their motives are concerned—

Commissioner O'CONNELL. I am not speaking of it because the employer does not want it. I am speaking of the laborer, the man himself. I do not hold him responsible personally.

Mr. KING. The attitude of the employer toward labor—I could conceive of a humane employer, a man who had a sense of justice and right, refusing to draw any dividend from an industry that was sweating it from labor, or doing anything other than letting labor have all the advantages it could, and I would think in a case like that that the organization would be quite secondary. Unfortunately there are not many that are that way.

Commissioner O'CONNELL. Do you think the hundreds of stockholders of the United States Steel Co. care how they get their dividends?

Mr. KING. I think some of them care and some do not care. I think there are some drawing dividends in the steel industry who would much prefer to get a less dividend if they thought they were getting the particular dividend that they are at the expense of the men that are working.

Commissioner O'CONNELL. I never heard of but one stockholder that returned her dividend, and that was a lady in a large mill at Boston, who did return her dividend and told them to give it to the strikers. Now, as a result of your long experience, your personal investigations in all the affairs of labor, your great travel all over this country and Canada and Europe and in the Asiatic Continent, your investigations as a student in colleges, of the general knowledge that you have accumulated in all of these years that you have been associated in this work as an investigator and as an official in Canada, do you believe that the wage earners in their organized capacity, with all that has been charged against them, have done more to elevate and bring about a better standard of manhood and womanhood, to build up a higher standard of opportunity, to build up a higher standard of citizenship, that it could possibly have been done by the men in an unorganized capacity?

Mr. KING. To answer that question I would have to imagine what would have been the condition of labor to-day if they had not been organized, and I would have to say unhesitatingly that labor would not have had the standing to-day that they have had they not been organized.

Commissioner O'CONNELL. Do you believe that the organization of wage-workers has had to do with the building up of the moral standard of citizenship of not only its own membership but its influence upon the nonmembership, and its influence upon the community has been for the uplift of humanity?

Mr. KING. I don't think you can better a man in any condition without that having its effect on those that are brought into relations with his life and bettering his own life.

Commissioner O'CONNELL. If organized labor was all that it is charged with by its opponents, being law violators, criminals, property destroyers, evaders of the law, criminals in the sight of the law, and the worst that has been charged against it were true, do you believe that they ought to be disbanded?

Mr. KING. Well, I would never judge a movement by what its opponents say; and if it were all true, I can not imagine society existing. I think the opposition has been so much overdone.

Chairman WALSH. Mrs. Harriman wishes to ask you a few questions.

Commissioner HARRIMAN. Mr. King, I would like to know what is the effect of labor, the concentration of an industry in a few hands? Do you think it makes conditions for the worker better or worse?

Mr. KING. It depends on the few hands. I can imagine it being possible to hand them a good deal better conditions if you have a few people with certain ideas, than a great many with many, and it comes back to the old question of personality of the individuals concerned.

Commissioner HARRIMAN. Well, from your experience and what you have seen of industries?

Mr. KING. I don't believe I can answer that question without considering it more fully than I have had an opportunity to do.

Commissioner HARRIMAN. I will put it this way: What is your attitude toward industrial trusts?

Mr. KING. Toward trusts?

Commissioner HARRIMAN. Toward industrial trusts, such as the Standard Oil Co.?

Mr. KING. My attitude is best expressed probably in the bill I introduced in Canada for the investigations of trusts and combines and mergers. When I was minister of labor I introduced a bill that is now a law in Canada. Under it, if any six persons think that a combine or trust is increasing prices unduly, or taking any action against the public interest, they may go before any judge from one end of the country to the other, and if they make out a prima facie case of enhancement of prices, or a case on any other ground, the judge may give an order for an investigation, and it then becomes the duty of the Government to order an investigation into that trust or combine. When that investigation is ordered each of the parties is entitled to appoint its own investigator on the board. The persons complaining choose their own investigator, and the trust its own, and those two agree on a chairman, just as under the industrial-disputes act, and those three have the power to investigate a trust; to state what, in their opinion, is the effect of its action. If it happens to be an industry that is receiving protection from the Government, the law provides that the tariff may be immediately reduced, and the industry be denied the protection it is getting; if it is taking an unfair advantage of the public through a patent, the patent may be revoked. If the board recommends that a certain course of action is contrary to the public interest, and that in 90 days it is to be discontinued, and if it is not, the trust becomes liable to a penalty for every day it continues. So my attitude toward trusts and combines is that the extent and size of the industry does not make it a criminal organization, but the things that it does. The larger the concern is, the greater the reason why the Government of the country should at all times, in the interest of its citizens, be able to see that no unfair advantage is taken because of the size. I am not against organizations on a big scale. I think there was a time when industrial competition was between industries and industries and localities and localities, but it is now between continents and continents, and to save an industry to a continent it may be necessary to organize it on a big scale. But that is more reason why the laws should make it impossible for an organization to do things contrary to public interest. Publicity is the first thing. There is nothing like the searchlight of publicity as an instrument for focusing intelligent public opinion.

Commissioner HARRIMAN. Really, then, in the right hands you think it is all right?

Mr. KING. It would depend entirely—I would judge everything by its act. If an industry is in the right hands, administered all right, in the right way, it will be carried on all right. You can judge whether it is in the right hands or not by the things it does.

Chairman WALSH. When you went to Tarrytown that night with Mr. Greene, did you take up the subject of the situation in Colorado with Mr. John D. Rockefeller, sr.?

Mr. KING. I never discussed it with him.

Chairman WALSH. Nothing said about the Colorado situation at all?

Mr. KING. No, sir.

Chairman WALSH. Nothing said about the Colorado Fuel & Iron Co.?

Mr. KING. No, sir.

Chairman WALSH. You had never met Mr. John D. Rockefeller, sr., before?

Mr. KING. No, sir.

Chairman WALSH. Have you ever met him since?

Mr. KING. Yes, sir; twice since.

Chairman WALSH. Where?

Mr. KING. Both times at his house in Tarrytown.

Chairman WALSH. At either of these meetings was the Colorado situation discussed?

Mr. KING. Not with me.

Chairman WALSH. In your presence?

Mr. KING. I may have overheard one or two things said. I remember one evening I went out with Mr. Welborn—

Chairman WALSH. President of the Colorado Fuel & Iron Co.?

Mr. KING. Yes, sir. Mr. Rockefeller, jr., asked me to come out and spend the night at his house, and Mr. Welborn went out at the same time, and I think



Mr. Rockefeller, sr., and Mr. Welborn had some conversation together. I was on the other side of the table and didn't hear what they were discussing; I was talking with somebody else.

Chairman WALSH. Who else was there?

Mr. KING. Mrs. Rockefeller, jr., was there.

Chairman WALSH. Was the subject of getting up a letter for use in Colorado discussed in your presence?

Mr. KING. Never mentioned.

Chairman WALSH. Do you recall anything that was said in your presence and Mr. John D. Rockefeller, sr.'s, presence with reference to the situation in Colorado?

Mr. KING. I don't know.

Chairman WALSH. It was a matter that was up at the time very acutely?

Mr. KING. It has been up for the last two years.

Chairman WALSH. And nothing was said about it that you recall?

Mr. KING. No, sir; I think we talked about the war in Europe mostly. I don't think I said a word about Colorado.

Chairman WALSH. And he never said a thing about it?

Mr. KING. No, sir; never spoke to me about it.

Chairman WALSH. Do you know whether or not Mr. Rockefeller, sr., from anything he has stated, knows what your activities are in Colorado with respect to this matter?

Mr. KING. I don't think he does; I don't think he knew I was going there when I went, and I have not reported to anybody since what I did.

Chairman WALSH. And, as far as you know, Mr. John D. Rockefeller, sr., has no information whatsoever on the work you are doing?

Mr. KING. As far as I know, he has absolutely none.

Chairman WALSH. And it is not your intention to make a report to him or give him this information?

Mr. KING. It is not my intention to make a report to him, but if I have the opportunity and pleasure of meeting him in the future I may discuss with him the conditions as I saw them. I may or I may not.

Chairman WALSH. When does your employment end with the Rockefeller Foundation?

Mr. KING. The 1st of October.

Chairman WALSH. 1915?

Mr. KING. Yes, sir; this year.

Chairman WALSH. And is it your intention then to make findings as to the conditions you found in Colorado?

Mr. KING. No, sir; it is not.

Chairman WALSH. I believe you said you were going to stand for Parliament in the North York riding?

Mr. KING. Constituency of North York.

Chairman WALSH. Where is that in Canada?

Mr. KING. Toronto is the county seat of it.

Chairman WALSH. It takes in all of Toronto?

Mr. KING. No, sir; the northern part of the county.

Chairman WALSH. Does it take in any part of the city?

Mr. KING. No.

Chairman WALSH. That is all, Mr. King.

Mr. KING. Mr. Chairman, just one word before I conclude. The commission has been asking different witnesses their views of the cause of industrial unrest. Not very long ago I happened to be reading the life of Pasteur and I came across a passage that seemed to me to throw a flood of light on this industrial question, and I should like to put this passage before the commission, because I think it has in it something that it is well to present. This was Pasteur, who spent his life working on the theory of germs and found that many of our ills come from a conflict between certain forces that are making for destruction and others contending against them for the making of life and health. Mr. Pasteur turned from the microscope to look out on the world, and found two similar forces at work there to-day. I have seen no similar statement that seemed to be more enlightening. It is from an address delivered on the occasion of the inauguration of the Pasteur Institute, November, 1888. I am taking it from the book entitled "The Life of Pasteur," by R. Vallerey-Radot:

"Two contrary laws seem to be wrestling with each other nowadays; the one, a law of blood and of death, ever imagining new means of destruction and forcing nations to be constantly ready for the battle field; the other, a law of

peace, work, and health, ever evolving new means of delivering man from the scourges which beset him. The one seeks violent conquests, the other the relief of humanity. The latter places one human life above any victory; while the former would sacrifice hundreds and thousands of lives to the ambition of one. \* \* \* Which of those two laws will ultimately prevail, God alone knows."

What Pasteur said of the international situation, as he saw it in 1888, we have ample evidence, is being fulfilled in a terrific scale at the present time. I think what he has said in regard to contrary laws wrestling with each other applies to the industrial world as well as to all the other relations of life; and when you ask me who the friends of labor are and who the enemies of labor are, I want to say that the men who are seeking the law of blood and death, whether it arises from viciousness or covetousness or any other cause, those men are the enemies of labor. But that the person, whether he be associated with the press, helping to give the public information, whether he be a teacher instructing, whether he be a student, whether he be an investor, whether he be a laborer, or whether he be a professional man—no matter what his capacity, or whether man or woman—if in his life a person is trying by his act to further the law of peace and work and health and to deliver man from the scourges that beset him, that person, in my opinion, is a friend of labor.

Chairman WALSH. You may be excused.

Mr. Ivy Lee.

#### TESTIMONY OF MR. IVY L. LEE—Recalled.

Chairman WALSH. I believe, Mr. Lee, when you were excused Saturday evening you were being asked about your conferences with Mr. Wheeler in regard to the publication of the National Chamber of Commerce entitled "The Nation's Business." Where were you having that conference with Mr. Wheeler?

Mr. LEE. I think I saw Mr. Wheeler at the Belmont Hotel in New York City.

Chairman WALSH. What connection did he have with the National Chamber of Commerce at that time?

Mr. LEE. I am not sure, Mr. Chairman, what his titular relationship was; it was quite well known that he was one of the moving spirits in that organization.

Chairman WALSH. Well, now, he had been the president of it; was he the president of it at that time?

Mr. LEE. I do not think so.

Chairman WALSH. Now, in a general way, what was the chamber of commerce, an organization of chambers of commerce, a national organization of chambers or commerce; that is, this particular one, throughout the United States?

Mr. LEE. I think that is a fairly accurate description.

Chairman WALSH. You say the proposition was as to whether or not Mr. Rockefeller should finance their publication called the Nation's Business?

Mr. LEE. That, in a general way, is correct.

Chairman WALSH. What was the proposition put up to you by Mr. Wheeler?

Mr. LEE. There was no specific proposition, Mr. Chairman. The question was as to whether it would be feasible to enlarge a publication issued by the chamber, and issue it weekly, and whether a fund of working capital could be obtained to see it through the experimental period.

Chairman WALSH. Was the paper called the Nation's Business running at the time?

Mr. LEE. Yes; it was in the experimental period.

Chairman WALSH. It was in the experimental period?

Mr. LEE. Yes.

Chairman WALSH. And it disseminates information with regard to business and industries throughout the United States to its members?

Mr. LEE. Yes.

Chairman WALSH. Did you supply the working capital?

Mr. LEE. We did not.

Chairman WALSH. Did you make any sort of arrangement by which the Rockefeller interests or the Rockefeller group was to take a certain number of the papers or render them assistance?

Mr. LEE. No; we made no arrangement of any kind.

Chairman WALSH. Are you rendering them assistance?

Mr. LEE. None whatever.

Chairman WALSH. Why didn't you go into the matter?



Mr. LEE. Well, I did not think it was practical myself, and I never made any report to Mr. Rockefeller, except to the effect that I had not yet been able to see that the scheme was practicable.

Chairman WALSH. Supposing the scheme had been practicable, would you have advised Mr. Rockefeller to go into it?

Mr. LEE. Certainly.

Chairman WALSH. And that would have been as a matter of getting publicity?

Mr. LEE. The proposition was this, Mr. Chairman: It would have been obviously undesirable that Mr. Rockefeller should finance the publication of an independent organization of that sort permanently. The theory we proceeded on from the first was, that if Mr. Rockefeller rendered any such assistance the fact should be made public at the time the assistance was rendered; consequently that such assistance, even if made public, should not be rendered unless we felt that as a practical business proposition this paper would very quickly get on its feet and be able to pay back its debts and thus be absolved from any obligations to Mr. Rockefeller. It was largely because of our feeling—I would not say the feeling, but rather the doubt as to the practicability of the idea as a business proposition, that caused me to feel that I was unable to recommend the plan.

Chairman WALSH. I received a letter from a president of the board of trade, a gentleman who says he is president of a board of trade, and is also president of a very large company, one of the largest concerns in a certain line in the United States, who asks to have his name kept a secret, and he says—he puts it this way; I will read it to you:

“In relation to current report of Rockefeller's alleged domination of the chamber of commerce, I would say that, as president of the board of trade last year, a representative of the United States Chamber of Commerce called to further interest me in obtaining membership from the board of trade, and in the course of a long conversation he made a statement, the point of which was in substance as follows: That Rockefeller had asked how much the chamber could use from him, and that the reply was that all his millions could not buy the influence of the chamber, etc. But he was quite at liberty to indicate desirable members and in that way could be of great assistance, and in that way the chamber had a great many very strong men, presumably thus selected.”

Did you suggest in that meeting you had that the Rockefeller interests could supply any members for the chamber of commerce?

Mr. LEE. No, Mr. Chairman; and that suggestion—it seems to me the insinuation of that question—is very unfair to the chamber of commerce, aside from any unfairness to Mr. Rockefeller. The chamber of commerce, to my mind, has performed a remarkable public service in a most independent way. Its records are all open to inspection, and I am sure you would not have the slightest difficulty in finding out every contributor to its funds. It is not fair to that organization to make a suggestion of that kind. I told you the entire story with reference to this publication.

Chairman WALSH. I will finish the letter.

Mr. LEE. I beg your pardon.

Chairman WALSH. That is all right; I stopped to give you a chance to answer, but I want to give you what this gentleman says about this:

“The plain implication was that by indirection the chamber was very strongly backed by Rockefeller, which apparently was thought to be a recommendation to myself and my organization.”

Mr. LEE. Mr. Chairman, I think it is hardly incumbent on me, but I happen to know something about the chamber of commerce. When the plan was first developed—

Chairman WALSH. Go ahead.

Mr. LEE. I am not disposed to go into this matter unless you think there is some possible doubt about the bona fide intention of the organization.

Chairman WALSH. No; I just want you to answer following this suggestion.

Mr. LEE. I have not the slightest hesitation in saying that Mr. Rockefeller is thoroughly in sympathy with the purpose of the chamber, and as a business man he would do anything in his power to promote it, as I have no doubt a good many other business men would; but his relationship to it is well known.

Chairman WALSH. Does he suggest members for it?

Mr. LEE. He does not, so far as I know.

Chairman WALSH. The chamber of commerce really has a sort of connection with the Government, has it not?

Mr. LEE. Why, I do not think it has any organic relation to the Government. I think it has placed its facilities at the disposal of the Government, and is eager to; but, Mr. Chairman, the offices of the chamber are in this city, and their officers ought certainly in fairness to be the ones to relate its activities.

Chairman WALSH. I am just asking about the connection of Mr. Rockefeller with it, if there is any, so far as you know. I will ask the question directly, and if there is any further inquiry to make, we will make it.

Mr. LEE. Mr. Rockefeller's relation to the chamber I have entirely related to you, as far as I know it.

Chairman WALSH. Is it not a fact that the chamber of commerce was founded on a call from the President of the United States?

Mr. LEE. I do not know.

Chairman WALSH. President Taft?

Mr. LEE. I do not know.

Chairman WALSH. Did you read the report of the Secretary of Commerce and Labor for 1912?

Mr. LEE. I don't recall.

Chairman WALSH. It reads as follows:

"This bureau, at my direction, in April, 1912, transmitted to over 1,100 commercial organizations in the United States an invitation to send representatives to a conference by the President to consider the establishment of a national commercial organization broadly representative of all the commercial interests of the United States.

"The need for coordination of the unrelated efforts of chambers of commerce, boards of trade, and similar associations in the field of trade promotion has long been recognized, and the time seemed opportune to aid the founding of such a national body.

"As a result of the very successful meeting, which was held in Washington on April 22 and 23 and attended by 700 delegates from 400 commercial associations in every part of the United States, the Chamber of Commerce of the United States of America was organized."

Is that your recollection of the information in regard to these men in that concern?

Mr. LEE. I only know of the organization in a very general way, Mr. Chairman.

Chairman WALSH. Did you go there at the request of Mr. Rockefeller; did you go to meet Mr. Wheeler?

Mr. LEE. Yes.

Chairman WALSH. Do I recollect it right that Mr. Wheeler wrote to Mr. Rockefeller, as shown by some of this correspondence here?

Mr. LEE. I think so.

Chairman WALSH. Did you have more than one conference with Mr. Wheeler?

Mr. LEE. No; Mr. Wheeler went to Europe the next day, I think, after I saw him.

Chairman WALSH. Has he returned?

Mr. LEE. Yes.

Chairman WALSH. You have not taken it up at any time since?

Mr. LEE. Not with Mr. Wheeler.

Chairman WALSH. Have you with anyone else?

Mr. LEE. Yes; Mr. Fahey, the present head of the chamber.

Chairman WALSH. When was that?

Mr. LEE. Well, I talked to him within the last three months.

Chairman WALSH. Now, with reference to financing this paper called the Nation's Business.

Mr. LEE. Yes.

Chairman WALSH. And loaning them money.

Mr. LEE. I ought to make that entirely clear, Mr. Chairman.

Chairman WALSH. Yes.

Mr. LEE. Mr. Fahey became the chief executive of the organization the 1st of January. At any rate Mr. Wheeler had brought this matter up to us or in Mr. Rockefeller's office. Nothing had been done about it, and Mr. Rockefeller, shortly after I came into the office, spoke to me about it and asked if I did not think we ought to have the matter closed up. I then asked Mr. Fahey, the then president of the organization, if he would come to see me, and I dis-



cussed the matter with him, I told him of my doubt as to the impracticability of the publication scheme and asked if he saw any reason why my doubts were ill founded, and he agreed with me that the scheme was not a practical one.

Chairman WALSH. Who was that?

Mr. LEE. Mr. Fahey; and, therefore, the proposition was left in that state.

Chairman WALSH. The matter, then, has dropped through?

Mr. LEE. Yes.

Chairman WALSH. Did you have a personal acquaintance with Mr. Fahey?

Mr. LEE. Well, I have known Mr. Fahey casually for a good many years; yes.

Chairman WALSH. Did you communicate with him during the time you were employed by the Rockefeller investments or companies in regard to anything except this proposed loaning of money to the Nation's Business?

Mr. LEE. No.

Chairman WALSH. Is Business America something or the same thing as the Nation's Business?

Mr. LEE. No.

Chairman WALSH. What is Business America?

Mr. LEE. All I know of that is that it is a magazine that one sees.

Chairman WALSH. Maybe you remember—was the correspondence that you had with the National Chamber of Commerce, with Mr. Fahey, or with Mr. Wheeler among that which you consider privileged on account of being private, the reason that you did not furnish it to the commission?

Mr. LEE. I had no correspondence with Mr. Wheeler or with Mr. Fahey. There were two letters from Mr. Wheeler to Mr. Rockefeller, which were referred to in one of my letters as having been returned to Mr. Rockefeller. Your commission asked me to produce that letter referred to as an inclosure, and that is the letter we felt was privileged.

Chairman WALSH. That is the letter from Mr. Wheeler, of the National Chamber of Commerce, to Mr. Rockefeller?

Mr. LEE. Yes.

Chairman WALSH. And you considered that privileged and did not produce it?

Mr. LEE. Yes.

Chairman WALSH. Would you care to state as to the substance of it, whether it referred to Mr. Rockefeller putting money into the Nation's Business?

Mr. LEE. It did not refer to the question of putting money into it at all—I say "at all," it may have referred to that indirectly, but the general subject dealt in in those letters was in reference to the general plan of enlarging the scope of the publication. It was discussed as a publication enterprise, rather than with reference to the financial features of it. Of course, the fact that if the scheme as a publication enterprise was undertaken Mr. Rockefeller would finance it was implied, but I do not think the letters dealt with that phase of the subject.

Chairman WALSH. Was any suggestion made in the letters as to matters of publicity that might be published in the Nation's Business?

Mr. LEE. I do not think so.

Chairman WALSH. Was any reference made to the situation in Colorado with reference to the Colorado Fuel & Iron Co.?

Mr. LEE. None whatever.

Chairman WALSH. Was any reference made in the letters to any other industry in which Mr. Rockefeller was an investor or stockholder or bondholder?

Mr. LEE. Not the remotest, Mr. Chairman. With reference to those letters, I am not authorized to speak, but I am very sure you would have no difficulty in seeing them privately if you cared to do so.

Chairman WALSH. Then I will ask you to let Mr. Manly see them.

Mr. LEE. If he will come to our office in New York, I'll be glad to show them to him.

Chairman WALSH. Then let Mr. Manly look at them.

Mr. LEE. I want to make the reservation that they are not to go into the record.

Chairman WALSH. Now, how much did you think might be necessary in money to put up as a loan for the Nation's Business to get upon its feet?

Mr. LEE. The proposition, as it was suggested, was that it would require about \$250,000.

Chairman WALSH. Two hundred and fifty thousand dollars?

Mr. LEE. Yes.

Chairman WALSH. Was that amount suggested by Mr. Rockefeller, or yourself, or by Mr. Wheeler?

Mr. LEE. That was suggested by the gentleman whom Mr. Wheeler had asked to work up a prospectus for a working scheme, for the purposes of consideration. His name, I think, if you want it, was Mr. Weldon. He had this plan in order to insure the success of which he felt would require a guaranty fund of about \$250,000.

Chairman WALSH. Was the proposition that you should extend the loan to that full amount?

Mr. LEE. Yes; that is, you could hardly call it a "proposition," Mr. Chairman. That was the prospectus discussed.

Chairman WALSH. You say it was a "prospectus"; that was the suggestion, that you should put up \$250,000?

Mr. LEE. Yes.

Chairman WALSH. Do you know whether or not the money was raised from any other sources?

Mr. LEE. I think not.

Chairman WALSH. When was the last time you talked to Mr. Fahey about it?

Mr. LEE. Since the 1st of January—I do not recall the date.

Chairman WALSH. Have you had any correspondence with him since you talked to him about it?

Mr. LEE. No.

Chairman WALSH. Did Mr. Rockefeller, to your knowledge, have any conversation with him, since you talked to him?

Mr. LEE. Not that I know of.

Chairman WALSH. You stated the other day with reference to conducting a union educational campaign—first, what reason did you have for turning down the proposition? Why did you say it was not practicable to put up the \$250,000?

Mr. LEE. Well, I did not believe that, as a publication enterprise, it would be a success; I did not believe it would pay its way.

Chairman WALSH. You did not think, in other words, you would get the results from the \$250,000?

Mr. LEE. That is not a fair way to put it.

Chairman WALSH. You put it your way.

Mr. LEE. I did not believe the scheme would be self-supporting, and I did not feel that Mr. Rockefeller should underwrite a scheme which would not be self-supporting; that it was not for the purpose of promoting Mr. Rockefeller's interests that this plan was proposed, but it was simply for the purpose of the general business interests of the country, and it did not seem to me, and I know Mr. Rockefeller felt the same way, that any such institution should be beholden to him or to his interests in the slightest particular.

Chairman WALSH. Why? That they might be influenced?

Mr. LEE. Because of the obvious impropriety of it. As I said, the feeling was from the outset that if he advanced this money it should be announced at the time it was done, and that the publication of the chamber of commerce should not be underwritten by any individual of large interests without everybody knowing all about it, and the whole plan being made known; and, assuring that should be done, it should not be entered upon unless it was considered a sound business proposition. I did not think, after analyzing it, that it was sound.

Chairman WALSH. Have you underwritten any other publication?

Mr. LEE. None.

Chairman WALSH. Leslie's Weekly?

Mr. LEE. No, sir.

Chairman WALSH. Have you agreed to take any particular number of any publication?

Mr. LEE. No; except the Masses.

Chairman WALSH. How many of those do you take?

Mr. LEE. I think we take about half a dozen now.

Chairman WALSH. Do you take them for general circulation?

Mr. LEE. I would be glad to give them to anybody who wanted them.

Chairman WALSH. What was the subscription price of the Nation's Business, if it had one?

Mr. LEE. I do not know, Mr. Chairman.

Chairman WALSH. Did it have any subscription price? Didn't it go free to the members of the chamber of commerce?



Mr. LEE. I really do not know.

Chairman WALSH. How could it be self-supporting if it did go free to the members of the chamber of commerce?

Mr. LEE. Obviously, if the scheme talked of had been worked out, there would have to be a subscription price, and the basis on which I turned it down in my mind—and I do not want to use that word in any invidious sense—was that I could not see where it could pay its way through subscriptions and the advertisements which it would get.

Chairman WALSH. Well, now, when you and Mr. Wheeler were talking this over, what was the proposed subscription price? What was said about putting the subscription price, and from what facts, if any, did you gather the fact that it would not be a paying proposition, and therefore not worth putting the money in and taking that chance?

Mr. LEE. I don't recall that detail, Mr. Walsh.

Chairman WALSH. Did you discuss the details again with Mr. Fahey?

Mr. LEE. No; I only discussed the general policy with him.

Chairman WALSH. I wish now that you would state finally and concisely, sum it up, your various activities in reference to getting out publicity for the concerns with which you are engaged connected with Mr. Rockefeller.

Mr. LEE. I get out very little, if any, publicity, Mr. Chairman. The institutions with which Mr. Rockefeller is connected get out their own publicity. I advise with them somewhat in the preparation of it.

Chairman WALSH. Very well. Now, tell what you advised with them about in the preparation of.

Mr. LEE. Well, I advised with the Rockefeller Foundation as to some matters and as to the best form in which to issue their pamphlets, but they issue a good many statements about which I do not confer with them.

Chairman WALSH. Now, you advise with them about the foundation and the foundation publications?

Mr. LEE. About the form in which they should issue some of their publications.

Chairman WALSH. And the matter that should be issued?

Mr. LEE. No.

Chairman WALSH. You advise with them about that?

Mr. LEE. I may make some suggestions with reference to some publications.

Chairman WALSH. Now, as I understand it, you do not draw any of your salary, or any part of it, from the foundation.

Mr. LEE. Quite true.

Chairman WALSH. Just connected with private interests?

Mr. LEE. Yes, sir.

Chairman WALSH. Just throw that in, do you?

Mr. LEE. You must remember, Mr. Chairman, that Mr. Rockefeller, jr., is the president of the foundation, and I am a member of his staff, and I assist him as president of the foundation in any way I can, and necessarily that matter would come under his supervision.

Chairman WALSH. That is, Mr. John D. Rockefeller, jr.?

Mr. LEE. Yes.

Chairman WALSH. And what you did for the foundation—how was that, now, again, please?

Mr. LEE. Anything I do for the foundation is in my capacity as one of Mr. John D. Rockefeller, jr.'s, associates and assistants.

Chairman WALSH. And not in your capacity as a director in any of his companies?

Mr. LEE. Not in the capacity of director of the Rockefeller Foundation.

Chairman WALSH. Now, the publicity that you have gotten out with reference, say, to the Colorado Fuel & Iron Co.—any publicity you have gotten out, and I have closed with the bulletins—after the bulletins you got out after conference with Mr. Rockefeller—or did you confer with him?

Mr. LEE. About the Colorado Fuel & Iron Co.?

Chairman WALSH. Any publicity you got out with reference to that.

Mr. LEE. The Colorado Fuel & Iron Co.?

Chairman WALSH. Yes.

Mr. LEE. No. I have gotten out no publicity for the Colorado Fuel & Iron Co. since I have come with Mr. Rockefeller.

Chairman WALSH. Which was the last article which you gave to the newspapers yourself with reference, of course, to the Rockefeller interests or investments?

Mr. LEE. I don't recall. Mr. Chairman. It has been a long time since I have had any articles to give to the newspapers.

Chairman WALSH. Please describe your duties in connection with publicity for the Rockefeller interests.

Mr. LEE. When my opinion is asked I give it as to the most effective way to secure publicity for a particular idea or suggestion. That is then carried out by the institution itself.

Chairman WALSH. What are your duties as a member of the personal staff of John D. Rockefeller, sr.?

Mr. LEE. I represent Mr. Rockefeller on various boards of directors and have intrusted to me various confidential matters relating to a great many of his interests, as much as my time will allow me to take care of. I have very little to do with publicity, as a matter of fact.

Chairman WALSH. Well, have you given up the publicity idea altogether? That is, as to circulating alleged facts with reference to their industries, and all that.

Mr. LEE. I have not given up the idea of publicity, because I believe that publicity is the biggest idea that we can develop. I believe that the great fault committed by the Rockefeller interests in the past has been the absence of publicity.

Chairman WALSH. So you are an advocate of their giving everything the widest publicity?

Mr. LEE. Absolutely; every chance that develops. I believe that they ought to make known to the public their business and feelings and any facts about their affairs that they feel the public would be interested in.

Chairman WALSH. Now, then, is your duty—when the common mind of the Rockefeller interests is made up, is it your duty to see that the publicity gets out in proper shape?

Mr. LEE. When they consult with me with reference to any proposition, I make suggestions, and I do everything I can to secure their ends.

Chairman WALSH. Well, is the publicity department, you might say, or the publicity matter in your specific charge?

Mr. LEE. I want to be as frank with you as I can naturally from my point of view, Mr. Chairman. That subject would fall to me very frequently, and I want you to know that I do and will do everything I can suggest in that direction.

Chairman WALSH. Now, what piece of publicity have you gotten out for the Colorado Fuel & Iron Co. since the publication of the last bulletin or that book of bulletins?

Mr. LEE. None, that I recall.

Chairman WALSH. That is the very last, is it?

Mr. LEE. Yes.

Chairman WALSH. Is there any in contemplation now?

Mr. LEE. No; except that I have urged Mr. Welborn to follow a policy of the greatest possible publicity on his own account; but I have not made any concrete suggestions as to particular things he should do.

Chairman WALSH. What piece of publicity affecting any corporation connected with the Rockefeller group has been gotten out since the last bulletin as a publication? I suppose the last publication was the book containing all the bulletins, was it?

Mr. LEE. With reference to Colorado?

Chairman WALSH. Yes.

Mr. LEE. Well, the foundation, of course, is a corporation, and they have gotten out certain—

Chairman WALSH (interrupting). Yes; and did you have to do with the publicity that the Rockefeller Foundation got out—

Mr. LEE (interrupting). No.

Chairman WALSH (continuing). Since you have been with them?

Mr. LEE. No.

Chairman WALSH. Well, now, what publicity with regard to any other corporation connected with the Rockefeller investments?

Mr. LEE. You mean any other industrial corporation?

Chairman WALSH. Any other industrial corporation.

Mr. LEE. I have had no relation of any kind.

Chairman WALSH. You say you represent Mr. Rockefeller on other boards. What are the other boards?



Mr. LEE. I am on the board of the Equitable Trust Co. of New York, the Western Maryland Railway, and various subsidiaries of Western Maryland Railway. I don't recall their various names.

Chairman WALSH. Any other?

Mr. LEE. No.

Chairman WALSH. Are you on the Standard Oil directory?

Mr. LEE. No.

Chairman WALSH. Are you connected with the Standard Oil?

Mr. LEE. In no way whatever.

Chairman WALSH. Does any publicity you get out have to do with the Standard Oil Co.?

Mr. LEE. None whatever.

Chairman WALSH. Commissioner Weinstock would like to ask you some questions.

Commissioner WEINSTOCK. You are a director, are you not, in the Colorado Fuel & Iron Co.?

Mr. LEE. Yes.

Commissioner WEINSTOCK. So to that degree you are an employer of labor?

Mr. LEE. Yes, sir.

Commissioner WEINSTOCK. I should like to put to you substantially the same questions that I put to Mr. Mackenzie King along certain lines in order to find out what is your attitude personally toward labor. My first question was, Are you for organized labor, right or wrong? But I will ask you, at the suggestion of one of the commissioners, when did you go on the directory, Mr. Lee, of the Colorado Fuel & Iron Co.?

Mr. LEE. Some time in January.

Commissioner WEINSTOCK. Now, did you get my question?

Mr. LEE. I did. Certainly not.

Commissioner WEINSTOCK. That is, you do not stand for organized labor, right or wrong?

Mr. LEE. No.

Commissioner WEINSTOCK. Are you against it, right or wrong?

Mr. LEE. No.

Commissioner WEINSTOCK. Are you for organized labor when you believe it is in the right and against organized labor when you believe it is in the wrong?

Mr. LEE. I am.

Commissioner WEINSTOCK. On the question of the closed shop, are you for the closed shop, right or wrong?

Mr. LEE. Well, I don't know that I can associate the two ideas of the closed shop and right or wrong. I am opposed to the closed shop in the sense that it forbids any man who is willing to work from taking a job which an employer wants to give him. I believe that a man who—if I want to employ a man and he wants to work for me that I should have the right to employ him.

Commissioner WEINSTOCK. Then, to make myself a little clearer, Mr. Lee, suppose all the employees of the Colorado Fuel & Iron Co. should quit of their own volition, possibly through the persuasion of some of their fellows, but peacefully and voluntarily, unite in organization and act as a unit, would you be opposed to that organization?

Mr. LEE. No, sir.

Commissioner WEINSTOCK. Then you are not opposed to closed shop when it is established through peaceful measures and purely as the result of persuasion?

Mr. LEE. No.

Commissioner WEINSTOCK. Would you be opposed to it if it was the result of coercion and force and intimidation?

Mr. LEE. I should.

Commissioner WEINSTOCK. Under those circumstances you would object to it as strenuously as you knew how?

Mr. LEE. I would.

Commissioner WEINSTOCK. Do you believe that men have the right and should organize for their betterment?

Mr. LEE. I do. I believe that laboring men should do that whenever the circumstances permit.

Commissioner WEINSTOCK. Would you, as a director of the company, refuse to meet with or listen to the grievances, real or fancied, of the workers?

Mr. LEE. I would not. I think that the employer should always meet with his men or meet with their representatives if necessary.

Commissioner WEINSTOCK. And if occasion should arise, when those in the service of the company in which you are a director should have grievances and want a hearing, you would be ready, so far as your voice would go, to grant such a hearing?

Mr. LEE. I certainly would.

Commissioner WEINSTOCK. That is all.

Chairman WALSH. You would be willing to call a meeting of the board of directors, would you, to meet with Mr. Hayes and these gentlemen now, if they should want to present a fancied or real grievance of those in their organization, if it be situated in Colorado; you would be willing to call a meeting of the board of directors and hear their presentation?

Mr. LEE. But it would not be within my power to call a meeting of the board of directors, but so far as my personal influence went I should be in favor of listening to the grievances of anyone.

Chairman WALSH. Technically, how do you get a special meeting of the board of directors of the Colorado Fuel & Iron Co.?

Mr. LEE. I don't recall the by-law on that subject, Mr. Chairman; but I would like to state just as clearly as I can that I believe thoroughly in the principle of meeting with the men or with their representatives; and if Mr. Hayes wanted to meet with me—

Chairman WALSH (interrupting). No; with the board of directors that could act.

Mr. LEE. Well that would be a very unusual way of acting in a matter of that sort.

Chairman WALSH. It is a personal matter—a personal belief with you?

Mr. LEE. Yes, sir.

Chairman WALSH. Sort of a yearning?

(No answer.)

Chairman WALSH. Mrs. Harriman would like to ask you some questions?

Commissioner HARRIMAN. Mr. Lee, I would like to know what your relation was with the railroad brotherhood while you were in connection with the Pennsylvania Railroad. Did you come in contact with them at all?

Mr. LEE. I did not.

Commissioner HARRIMAN. The officers of all the brotherhoods?

Mr. LEE. I have met some of them, but that is all.

Commissioner HARRIMAN. Yes. Did you give out any publicity relating to them?

Mr. LEE. I did not. I think you have confused me with the conference committee of managers which had two Lees connected with it.

Commissioner HARRIMAN. No; I am told I have not confused you at all.

Mr. LEE. Well, I have got out no publicity with reference to the railroad brotherhoods.

Commissioner HARRIMAN. Well, I never was told that you did. I simply want to know if you had, or what your connection with them was.

Mr. LEE. No; I did not come in contact with them. What I started to say was that the railroad brotherhoods had a contest with the conference committee of managers in New York, and the chairman of that conference committee of railroad managers was named Lee, and their publicity man's name was Lee; but I had nothing to do with the campaign.

Commissioner HARRIMAN. May I ask what you did do in connection with the Pennsylvania Railroad?

Mr. LEE. Well, I was in charge of publicity, among other things.

Commissioner HARRIMAN. But had no connection with the employees at all—I mean in the case of a strike. Wouldn't you give out publicity as to the railway side of the matter?

Mr. LEE. Well, it so happens that I don't recall having given out any publicity relating to a strike while I was associated with the road.

Commissioner HARRIMAN. That is all.

Chairman WALSH. That is all, Mr. Lee.

Commissioner O'CONNELL. I have a question.

Chairman WALSH. Mr. Commissioner O'Connell will inquire of you?

Commissioner O'CONNELL. Just this question, Mr. Lee, in further connection with a question put to you in regard to your position in the matter of meeting with men in their organized capacity, or whether they were right or wrong; and you answered that you would, or their representatives.



Mr. LEE. Yes, sir.

Commissioner O'CONNELL. I take it from that that had you been in control in Colorado prior to the time the strike occurred, and had these men asked and requested by communication that they be given a hearing, whether their grievances were real or imaginary, you would have met them.

Mr. LEE. Certainly.

Commissioner O'CONNELL. Then, I take it from your position the officials out there in Colorado, not particularly the Colorado Fuel & Iron Co., but all of them that were requested to meet the men before the strike occurred, in your opinion make a mistake in not entering into a meeting with them.

Mr. LEE. I think they did.

Chairman WALSH. Now, if it was a mistake, that had very grave consequences with reference to the loss of lives and the destruction of property, have you formulated any plan now in your own mind as to what action you will take with the board of directors the next time you meet?

Mr. LEE. I do not quite catch the meaning of your question.

Chairman WALSH. I say, if you have concluded now that the operators were wrong in refusing to grant this interview with the representatives of the mine workers, what have you formulated in your own mind with reference to the action you will take the next time the board of directors meet?

Mr. LEE. I have not formulated any thoughts, Mr. Chairman. I am quite sure that in so far as the officers of the Colorado Fuel & Iron Co. took that policy they felt they were doing the right and wise thing. It may be, if I had been in their position at the time, surrounded by all the influences as they were, I might have done the same thing; but looking at it all from this point and my own feelings with reference to such matters, I think it is eminently desirable always to meet your men, and meet them in any way they want to be met; and that does not commit you to anything.

Chairman WALSH. You mean the meeting does not commit you to anything?

Mr. LEE. No; it does not commit you to anything beyond hearing what their grievance is and talking it over with them. I think that is one of the most important things of all in avoiding serious disputes.

Chairman WALSH. I think so, too, probably. Now, then, that being the case, and after you have heard here from so many quarters about the sad results, perhaps, of the failure to have that hearing, haven't you been giving some thought as to what you should do, as a member of the board of directors in the Colorado Fuel & Iron Co., with reference to the situation?

Mr. LEE. No; I have not. I believe if that situation should ever arise again the officers would meet the men.

Chairman WALSH. Are you a stockholder in the company, or just have enough stock to represent—

Mr. LEE (interrupting). I have qualifying stock.

Chairman WALSH. Just qualifying stock?

Mr. LEE. Yes, sir.

Chairman WALSH. And do you feel, simply being a qualified stockholder, that you could vote on that board with reference to the matter of removing an executive officer any way other than that which Mr. Rockefeller desired?

Mr. LEE. I feel that I could.

Chairman WALSH. Well, what would happen to you, do you think, if you did?

Mr. LEE. I don't think anything would happen to me.

Chairman WALSH. Do you think that you could vote to remove Mr. Welborn and that if Mr. Rockefeller desired his retention, nevertheless, it would be all right?

Mr. LEE. Of course, Mr. Chairman, such a supposition is absurd.

Chairman WALSH. Why?

Mr. LEE. Well, things are not done that way. Matters of that sort are always discussed in advance and a general policy arrived at before they are ever submitted to formal board action. I want to be just as clear as words can make it that I believe absolutely in the sincerity, the honesty of purpose, and the wisdom of Mr. Welborn. As I say, if I had been in his place, under the same conditions I might have done the same thing.

Chairman WALSH. Would anything make you change your opinion of the wisdom of all Mr. Welborn's acts there so that in a conference held ahead of a meeting of the board of directors of the Colorado Fuel & Iron Co. with Mr. Rockefeller you would vote to discharge Mr. Welborn, or would announce your

decision to vote to discharge him, even though Mr. Rockefeller did not want him discharged?

Mr. LEE. I am very sure that Mr. Rockefeller and I would never have any difference of opinion with reference to Mr. Welborn's character.

Chairman WALSH. Or his conduct or acts in the Colorado matter?

Mr. LEE. Yes.

Chairman WALSH. Whatever they are, you are sure you and Mr. Rockefeller would agree that he had acted as wisely as he could under the circumstances?

Mr. LEE. That is my feeling about it.

Commissioner O'CONNELL. Just one further question. The chairman asked you, in reply to which you said if a similar situation arose in Colorado you were sure the officials of the company would meet their workers or their representatives before the trouble occurred.

Mr. LEE. I did not say I was sure. I said I believed they would.

Commissioner O'CONNELL. And to that extent, then, the strike of the Colorado miners was not a failure? But brought about some change in the hearts of some people, at least—

Mr. LEE (interrupting). No question, Mr. O'Connell, but what mistakes were made in that strike. I think Mr. Rockefeller has pointed out that if the history of events was to be lived over again that a good many people would do differently.

Commissioner WEINSTOCK. Are you aware of the fact, Mr. Lee, that it was brought out in the testimony here that the operators did meet with representatives of the strikers in the office of the governor some two months after the strike took place?

Mr. LEE. Yes; that has been brought out, Mr. Weinstock; but I can not say that I have been impressed with the fact that the representatives of the men who met the operators were truly representative.

Commissioner WEINSTOCK. Now, will you explain in what way they did and did not represent the men?

Mr. LEE. Well, I just give you my impression. I have not been impressed with the representative character of that committee.

Commissioner WEINSTOCK. Do you recall who the members were?

Mr. LEE. I do not. I simply give you a general impression. My feeling is that that was one serious mistake.

Commissioner WEINSTOCK. Meeting these men in the office of the governor?

Mr. LEE. It was the failure to meet the real representatives and talk it over with them.

Commissioner WEINSTOCK. You don't know how these men were chosen that met in the governor's office?

Mr. LEE. No; I simply give you my impression as to their general standing.

Commissioner O'CONNELL. Will you permit me to read into the record just exactly what did occur?

Commissioner WEINSTOCK. Yes; very glad to.

Commissioner O'CONNELL. This is a letter addressed by President Welborn to Mr. McClement, dated December 4, 1913. [Reading:]

"DECEMBER 4, 1913.

"MY DEAR MR. MCCLEMENT: We feel that we have made substantial progress in the conduct of the strike since I last wrote you, although the increase in output during the three weeks has not been large.

"At the urgent request of the governor and under some newspaper pressure, we met three of our striking miners in conference with the governor November 26. There has never been any substantial objection to meeting our own employees or our former employees for the purpose of discussing proper matters, yet we have felt that such a meeting might be construed as an indirect recognition of the officers of the union.

"We succeeded, however, in yielding to the requested meeting in such manner as to have the selection of the men, nominally at least, in the hands of the governor."

Do you get the idea? The governor selected the committee, not the men. [Continues reading:]

"And when the meeting was called to order by the governor, who acted as chairman"—

The governor acted as chairman of the committee. [Reads:]

"The miners in answer to questions stated that they represented only themselves directly, and would be obliged to take back to the miners for their ap-



proval or disapproval whatever understandings, if any, might be reached. We reached no direct understanding; in fact, we wanted none, as we were almost sure that had an understanding between the miners and ourselves been reached it would have received the stamp of approval of the officers of the organization and in that way been twisted into an arrangement between us and the organization."

Now, there are a lot of other things, but I think nothing relevant to this matter.

Commissioner WEINSTOCK. Any thing further on that?

Commissioner O'CONNELL. Oh, yes; there are several pages in the letter.

Commissioner WEINSTOCK. Just read it all. I think it is important to know it.

Commissioner O'CONNELL (reading). "Nevertheless the conference accomplished a great deal of good, as it convinced the governor that the grievances of the men were of a trivial character and that we had already granted, even before demanded and before the strike was called, everything that the men had a right to ask or strike for, and as a result the governor issued a statement, addressed jointly to the miners and ourselves, recommending termination of the strike. I am inclosing a copy of this for your information."

I don't think there is much else in it on the point, but I would be glad—

Commissioner WEINSTOCK. May I look at it?

Commissioner O'CONNELL. Yes. I read to the end of the second paragraph. The sense of that is that the three men were, on Mr. Welborn's own statement, practically selected by the governor.

Commissioner WEINSTOCK. I think that which follows is very significant, Mr. O'Connell.

Chairman WALSH. Do you want to ask the witness some questions on that?

Commissioner WEINSTOCK. I want to after reading it—

Chairman WALSH. Well, but do you want to ask the witness some questions?

Commissioner WEINSTOCK. Yes.

Chairman WALSH. Very well.

Commissioner O'CONNELL. I did not read it all through.

Commissioner WEINSTOCK. I want to call attention to his very significant statement here [reading]:

"Our letter was answered by the withdrawal of the arbitration request, and a pretense of submitting the matter to vote was made, with the result that the governor's proposition was unanimously voted down by the miners. We are, however, beginning to receive reports of the manner in which the voting at the meetings was conducted. These reports show that the proposition was railroaded through and not fully explained to the men. Had a secret ballot been taken, we believe the majority of the men would have voted to return to work, as we have the best of reason for believing that most of the men now on strike are staying away from the mines only through fear of attack from the organization's agents."

Now, doesn't this make it plain, Mr. Lee, that while these three men were there without authority to bind the union—the strikers—they were representing the strikers, and they took back to the strikers the proposition that had been made to the governor, and the strikers unanimously, as stated here, voted the proposition down?

Mr. LEE. That is the record, Mr. Weinstock, but I can only repeat my impression, that that committee was not truly representative.

Commissioner O'CONNELL. I think the letter of Mr. Welborn states that the governor had selected the three men. The men themselves had no chance or opportunity in selecting who should be in the number.

Mr. LEE. My impression may be wrong, but that is the feeling I have about it.

Commissioner WEINSTOCK. That is all I see in here that touches upon that point.

Chairman WALSH. That is all, then, Mr. Lee. You may be excused permanently, and we thank you for your attendance.

Dr. Gaddis.

#### TESTIMONY OF REV. EUGENE S. GADDIS—Recalled.

Chairman WALSH. Mr. Gaddis, I understand that you have a statement that you think you can present in a comparatively few moments?

Dr. GADDIS. Yes, sir.

Chairman WALSH. You see we are crowded for time. Well, as concisely as you can, make any statement you desire to make. I understand you have com-

municated to Mr. Manly the fact that you would like to make a further statement in reply to certain matters.

Dr. GADDIS. I certainly apologize, Mr. Chairman, for appearing before you again, but there were such strong statements made here yesterday that I should be given a chance to reply. I attribute Mr. Bowers's statement yesterday to the infirmities of age, or the befogging of vision, or else he has taken as prima facie evidence what has come from his mercenaries in the Rockies, and from my close-range vision of them, most of them say or do anything that would make it look like they were right. That it may be thoroughly understood, the spirit of the man with whom we had to deal, ponder well. I appealed to him, Bowers, to cooperate with me for the erection of camp chapels in which to worship God. He replied, "They need more jails down there."

Before I went into his office the first time, I was warned not to oppose him, and to permit him to do all of the talking if he seemed so disposed.

He convinced me then and there that he considered his attitude and utterances as unassailable. As he did not know more than one-half of what he thought he knew of affairs afield, his poses and poises were enough to make a burro laugh.

I remember distinctly of how he told me how he issued an ex-cathedra order to the manager of the fuel department. He told Weitzel that that was the way it would go in the future, regardless of what argument he presented.

His Louis the Fourteenth airs were a topic of conversation throughout the camp, often provoking smiles. He "drives the peg," is the way one of the petty bosses put it.

The local Denver manager of one of the largest commercial enterprises in the United States told me this. New bids were to be submitted for his line of material. His company was awarded the previous contract. Mr. Bowers was just leaving the city, and left instructions with the C. F. & I. purchasing agent not even to wait to receive the bids of aforesaid company, and when it did arrive it was not to be considered.

Centuries ago heathen China had an established principle for Government officers: "Whenever a ruler behaves unjustly or unmercifully, remove him." Colorado has been considerably behind China on this line.

Commissioner O'CONNELL. Mr. Gaddis, is that all of the way through that general topic?

Dr. GADDIS. No, sir. I will get down to the matter.

The notice, in 26 languages, posted in the camps that the men could have the privilege of checkweighmen was completely nullified by the company refusing to check off for the payment of such an officer.

Chairman WALSH. One thing that I wish to say: Anything that referred to you will be all right, but characterizations or those general statements we do not care for.

Dr. GADDIS. All right; I have it right here.

Regarding my request that all Roman Catholic "supers" be dismissed, Mr. Bowers's assertion of it was the first time I had ever heard it.

Commissioner O'CONNELL. Is there any truth in it?

Dr. GADDIS. There is not. I heard it for the first time from Mr. Bowers's lips yesterday, that I proposed to discharge the men because they were Roman Catholics. There are only two Roman Catholic superintendents in the entire system that I know of, and I held very cordial relations with each of them. Mr. E. G. Morrand, principal of the school at Sopris, a Roman Catholic, was my choice for my assistant in the sociological department, in organizing Boy Scout patrols in the camps. We were also working on a plan together to make an exhibit of the sociological work at the Panama Exposition in San Francisco. I will not go over all of these charges that Mr. Bowers made here yesterday. The story that I requested the discharge of a teacher because she was a Catholic—I never heard of it before until yesterday.

Commissioner O'CONNELL. Was there any truth in it, even if you never heard it before? Did you make any such effort?

Dr. GADDIS. I did not.

Commissioner O'CONNELL. Was there such a girl school-teacher removed?

Dr. GADDIS. Not for a cause of that kind.

Commissioner O'CONNELL. Was there any removed there?

Dr. GADDIS. In connection with my work?

Commissioner O'CONNELL. Yes, sir.

Dr. GADDIS. A number of them.



Commissioner O'CONNELL. Might the implication be that she was removed because of religious preferences?

Dr. GADDIS. An implication and a fact are entirely different. That is the reason I wanted to make a statement that it was not so. At Primero the company owns a church—an ideal building of the kind—in which both Protestant and Catholic services are held. I advocated to the company that this kind of a building be duplicated in their other camps.

When I took charge of the circulating library I found several boxes of books in the Italian language, teaching the principles of the Catholic religion. I gave them to the priests working in the camps of the Trinidad district and for the San Rafael Hospital. In the purchase of an invoice of new books I found a volume called "The Shonberg-Cotta Family," which gives an account of the Protestant reformation under Luther. I would not allow the book to be sent out through the camps. I canceled the order for the Christian Endeavor World, one of the largest organs of Protestant young people in America, also the Christian Herald, of which Talmage used to be the editor, and would not allow them to be placed in the public-school reading circle at Berwind because they taught the principles of Protestantism.

Mr. Bowers intimated that an increase of \$300 in salary and I would consider all sociological matters in a fine condition. In my reports to the company, for very good reasons, I brought to their attention improvements which were being effected. I also presented subjects which were quite distasteful to them, and this was one of the principal reasons for my discharge.

I believe that is all, Mr. Chairman.

Commissioner WEINSTOCK. Mr. Bowers in his testimony yesterday, Mr. Gaddis, spoke about having sent you a letter, a copy of which he had, in the form of a telegram, a letter to you of January 9, 1914. Do you recall having received that letter?

Dr. GADDIS. I do, Mr. Weinstock, and it was very wide of the mark of the letter I sent Mr. Bowers, and I was astonished at the contents of the letter that he sent me in reply.

Commissioner WEINSTOCK. This is what that letter is said to have contained.

Dr. GADDIS. I am very familiar with it, and you can refer to any part of it.

Commissioner WEINSTOCK. I want to refresh my own memory on it as well. He said that he wrote this letter in reply to Dr. Gaddis [reading]:

"Your letters of January 21 and 29 are at hand. You evidently are familiar with one very important fact, namely, that the schools in all our mining camps are State schools."

"Commissioner WEINSTOCK. Who is that letter from, and to whom?"

"Mr. BOWERS. A telegram from President Welborn to me, since I have been here."

"Chairman WALSH. Are you reading now from a telegram that was sent you by Mr. Welborn?"

"Mr. BOWERS. From my letter, that he could not get to me."

"Chairman WALSH. So he wired you and you are quoting from that?"

"Mr. BOWERS. It is a telegraphic copy taken from my reply to Mr. Gaddis."

"Commissioner WEINSTOCK. Very well, I understand it now."

"Mr. BOWERS (continuing reading): 'You evidently are not familiar with one very important fact, namely, that the schools in all of our mining camps are State schools, under the direct supervision and dictation of the State authorities. I am only trying to show the facts, and so forth, of Mr. Gaddis, and I am giving you the facts. And we have no more right to dictate who shall be employed as teachers in our coal camps than we have to dictate as to the teachers of Denver or any other town. While men in our employ at our various camps usually are selected as commissioners they have to be elected, and are responsible to the State for all of their acts.'

"Therefore, if we should undertake to be overdictatorial and exacting, the State would be justified in ordering us to keep our hands off. While we would be glad to employ teachers whose ideas are in harmony with ours, we have no legal right whatever to dictate or interfere with the commissioners in the selection of teachers. Will say that if you should stir up this matter in your territory in the interest of Protestantism'—and I want to say that some of our Catholic teachers were some of the best Sunday-school teachers we had in the camp."

"Commissioner WEINSTOCK. If it is allowable, may I ask you if you are a Catholic?"

"Mr. BOWERS. No, sir; I am a Presbyterian. But I never threw a stone at a Catholic or any other denomination. It is not my right or privilege, and I protest against it with all the vigor I can. That is my stand on that. I never did it. The first 15 or 20 men I employed were Irishmen, all but one, and I have no better friends on earth than them.

"In your territory in the interest of Protestantism an undertaking to force an observance of the social standard you have set up would do an incalculable amount of mischief. It is the opinion of our official board that ministers and religious workers either directly employed by us or permitted in our camps should confine themselves solely to the presentation of the gospel, as we believe that is the work which is needed and will include all moral and social reform. The only thing we had in mind in asking Dr. Morritt when he was at Pueblo to keep an eye on the schools and to advise with the several commissioners in the various camps was the intention of giving the commissioners the benefit of his experience and to suggest the class of teachers to employ, and that is the only thing we expect Dr. Corwin, Mr. Weitzel, and yourself to do. It is impossible to vest you with any authority whatever in connection with the schools in our camps."

"The copies of letters from Mr. Gaddis to Mr. Bowers referred to, as well as correspondence with other officers of the company, are missing from Gaddis records."

Now, what was the occasion of Mr. Bowers sending you that letter?

Dr. GADDIS. I wrote him, Mr. Weinstock, that I wanted, if possible, to correct conditions in the camps, which to me were almost intolerable, in regard to these dances and licentious gatherings, which I considered were being carried on way into Sabbath morning; and the thing that Mr. Bowers stated, that I wanted to stop the dancing, I never proposed that, because I knew it would be impossible, but I did want to elevate them in tone and correct things that I knew were very bad going on and demoralizing the young people of the camp. Now, the letter that Mr. Bowers wrote me in regard to my relations to schools was amusing to me, knowing the situation as I did—the employees of camps, not only in the closed camps, but many of the open camps. The men, or the directors of the school boards, in open and closed camps, many of them—and, by the way, there are some 65 teachers, I believe. He said yesterday that I wanted the resignation of a hundred Roman Catholic teachers, and there are only 65 that they have any authority over. To give you an idea of how that letter appeals to me: There was a man discharged from the principalship, as he believed, unjustly. The division superintendent simply told one or two of the directors if he was not discharged they would be canned. The man appealed to Mr. Bowers, and he was reinstated over their heads. Bowers said if the man was not put back that he would see their heads dropped off. That was the man who I referred to that they went after the second time. I received a long-distance telephone from Mr. Welborn to come to Denver to confer on it, and it was taken up with Mr. Bowers and Welborn both, and for Mr. Bowers to make out that they did not exercise their influence in that way to me was absurd, because I knew that they did, and it was part of my business to know. The camp superintendents were notified that that was part of my work, and when I went to Sunrise they were notified there that that was part of my work, to help select teachers.

Commissioner WEINSTOCK. Do we understand when Mr. Bowers made this statement on the witness stand yesterday he was not speaking the truth? He said the first interview that he had with Mr. Gaddis he was as ardent in his expression of sympathy for the strikers as—

Dr. GADDIS. That is absolutely untrue.

Chairman WALSH. We will now stand adjourned until 9.30 in the morning instead of 10.

(Thereupon, at 5 o'clock p. m., Tuesday, May 25, 1915, the commission took an adjournment until the following morning, Wednesday, May 26, 1915, at 9.30 o'clock a. m.)



## EXHIBITS.

### McCORKLE EXHIBIT.

*To the Colorado Fuel & Iron Co. (in care of the Rev. E. S. Gaddis, superintendent of the department of sociology):*

The people of Sunrise feel that a new hall could be made to add greatly to their convenience and pleasure. Following the suggestion of the Rev. E. S. Gaddis, the undersigned organizations express the desire of their members in the following petition or request, namely:

That the Colorado Fuel & Iron Co. erect a new hall at Sunrise, Wyo., giving place therein to as many of the following suggestions as are found advisable:

I. A motion-picture auditorium, to seat at least 500 persons; such auditorium to be equipped with a stage for dramatic recitals and dressing rooms on each side of the stage equipped with lavatories.

II. A large assembly room for lodges; in connection therewith (1) a room for paraphernalia, with separate accommodations for each fraternal order; (2) an anteroom large enough to accommodate about 30 persons; (3) a kitchen, supplied with range, etc. (Such lodge room to be on the top floor of the hall.)

III. A dancing floor.

IV. (1) A pool room, a bowling alley, shower baths, and a barber shop. (2) A small gymnasium, for boxing and other vigorous exercise. (3) A literature room, from which books and magazines may be distributed, together with a room for reading and for the use of clubs, as Boy Scouts, Camp Fire Girls, etc.

Signed at Sunrise, Wyo., this 5th day of February, 1915.

(Stamped with official seal.)

PLATTE RIVER ENCAMPMENT, No. 16, I. O. O. F.,  
J. A. JOHNSON,  
M. L. WILSON,  
HARROP CORKILL,  
*Trustees.*

Signed at Sunrise, Wyo., this 2d day of February, 1915.

(Stamped with official seal.)

SUNRISE LODGE, No. 41, I. O. O. F.,  
WM. C. PASCOE,  
HARROP CORKILL,  
M. L. WILSON,  
*Trustees.*

Signed at Sunrise, Wyo., this 20th day of February, 1915.

(Stamped with official seal.)

SUNRISE AERIE, No. 1030, FRATERNAL ORDER OF EAGLES,  
C. W. SMITH, *Vice President.*  
JOHN SOFFOKULES,  
JAMES BOKOS,  
LEO CLAUZ,  
*Trustees.*

Signed at Sunrise, Wyo., this 31st day of January, 1915.

(Stamped with official seal.)

THE SOCRATES HELLENIC SOCIETY,  
GEO. SCULCHAS, *President.*  
MIKE MEINRIES.

Signed at Sunrise, Wyo., this 27th day of January, 1915.  
(Stamped with official seal.)

IRON MOUNTAIN CAMP, No. 465, WOODMEN OF THE WORLD,  
WM. E. JOHNSON,  
J. R. DUNCAN,  
C. W. SMITH,  
*Managers.*

Signed at Sunrise, Wyo., this 1st day of February, 1915.  
(Stamped with official seal.)

MOUNTAIN VIEW REBECCA LODGE, No. 37, I. O. O. F.,  
EDITH MORGAN, *N. G.*  
EVA HARRIS, *Secretary.*

Signed at Sunrise, Wyo., this 7th day of May, 1915.  
(Stamped with official seal.)

MINNIE CAMP, No. 7026, ROYAL NEIGHBORS OF AMERICA,  
(Mrs.) B. DOWER, *Oracle.*  
LILIAN S. PASCOE, *Recorder.*

Signed at Sunrise, Wyo., this 2d day of February, 1915.  
(This organization has no official seal.)

SUNRISE LITERARY CLUB,  
GILBERTA WEED, *President.*  
EDNA BOOTH, *Secretary.*

Signed at Sunrise, Wyo., this [month and day omitted], 1915.  
(This organization has no official seal.)

LADIES' AID SOCIETY,  
(Mrs.) M. V. ROBERTSON, *President.*  
MYRTLE M. WHITNEY, *Secretary.*

#### A NEW HALL FOR SUNRISE.

It has been suggested by Rev. E. S. Gaddis, superintendent of the department of sociology of the Colorado Fuel & Iron Co., that gratification of the desire of the people of Sunrise for a new hall is possible, and perhaps probable. If such a hall is to be built, it should be planned so as to satisfy the needs of all the people as far as possible, and especially their social and fraternal needs. The request for its erection, therefore, can come very properly, Mr. Gaddis believes, from the various fraternal orders of the community.

In order to know how the hall should be planned that it may reach the fullest measure of usefulness, the ideas of the people who are to use it are important. Each fraternal organization, therefore, is requested to send some one of its members to confer on the formulation of the request. Those so sent, and all others who are interested, will kindly meet at the home of D. S. McCorkle on Thursday evening, January 21, 1915, at 7.30 o'clock. Any who can not meet at that time please speak to McCorkle and arrange to meet and consider the question at some earlier time.

The request for a hall, in whatever form and with whatever specifications decided upon at this preliminary meeting, will be referred to each organization for its official approval before being sent to Rev. Gaddis.

The chief object, indeed, of this preliminary meeting is to decide what accommodations the hall ought to afford. For instance, the following suggestions as to what the hall ought to provide have been made already by various persons:

I. An auditorium for motion pictures, large enough to seat at least 500 persons. Same to be supplied with movable seats, permitting the room to be used in other ways, as for dances, socials, Boy Scout meetings, etc.

II. A kitchen, where food may be prepared for suppers given by the various organizations of Sunrise.

III. Assembly rooms, special rooms for storing paraphernalia, and other accommodations for such fraternal orders of Sunrise as wish to avail themselves of the opportunity.

IV. A gymnasium.

V. A library or reading room.

VI. Shower baths, available at the lowest possible cost to the families of Sunrise.

VII. Small clubrooms, for the use of organizations among the children et al.



## COMMITTEE ON FORMULATION OF A REQUEST FOR A NEW HALL AT SUNRISE, WYO.

Called to order at 8 p. m. January 21, 1915; D. S. McCorkle, temporary chairman.

Those present and fraternal orders represented were as follows: Harrop Corkill and C. M. Morgan, of the Independent Order of Odd Fellows; John Pollard and C. W. Smith, of the Eagles; S. H. Whitney, of the Woodmen of the World; George Skeltsas, of the Socrates; D. S. McCorkle; Mrs. Chloe Hamilton and Mrs. Gilberta Weed, of the Ladies' Club; Mrs. M. V. Robertson, of the Ladies' Aid; Mrs. Thomas Carbis and Mrs. Laura Wilson, of the Royal Neighbors; and Mrs. John Harris, of the Rebeccas.

Officers elected were: D. S. McCorkle, chairman, and S. H. Whitney, secretary.

The purpose of the meeting was stated by the chairman, namely, to formulate a request for a new hall to be built at Sunrise, Wyo., and to submit same to each social and fraternal organization of the people of Sunrise for official approval, preparatory to its presentation to the Colorado Fuel & Iron Co. through the company's superintendent of its department of sociology, the Rev. E. S. Gaddis. More specifically, in its formulation of such a request the purpose of the committee is to come to a common agreement regarding such needs of the people of Sunrise as it would be desirable and practicable for a new hall to satisfy, and thereupon to embody in the request for the hall suitable provisions to meet these needs.

The committee decided to specify the following provisions for inclusion in the request for a new hall:

I. A motion-picture auditorium, to seat at least 500 persons; such auditorium to be equipped with a stage for dramatic recitals, and dressing rooms on each side of the stage, equipped with lavatories.

II. A large assembly room for lodges; in connection therewith (1) a room for paraphernalia, with separate accommodations ample for each fraternal order; (2) an anteroom large enough to accommodate about 20 persons; (3) a kitchen, supplied with range, etc. (Such lodge room to be on the top floor of the hall.)

III. A dancing floor.

IV. A pool room, a bowling alley, shower baths, and a barber shop; a small gymnasium for boxing and other vigorous exercise; and a literature room, from which books and magazines may be distributed, together with a small room for reading and for the use of clubs, as Boy Scouts, Camp Fire Girls, etc.

*Resolved*, That it is the desire of this committee that the different departments of the building be so run that they yield sufficient revenue to be self-sustaining.

A subcommittee of five was elected from among those present, to convene at 7.30 p. m. January 22, at the home of Mrs. Weed, to decide upon a proper wording of the request, such request, in duplicate copies, thereupon to be presented to the various orders and other organizations of Sunrise for their official approval.

Members of this subcommittee were the chairman, and S. H. Whitney, C. W. Smith, Mrs. Chloe Hamilton, and Mrs. Gilberta Weed.

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LEE EXHIBIT.

26 BROADWAY,  
New York, June 1, 1914.

DEAR MR. LEE: I am sending you herewith a number of newspaper clippings, which I think it would be worth your while to read before our next talk. Be good enough to see that they are all returned to me when you are through with them.

Very truly,

JOHN D. ROCKEFELLER, JR.

MR. IVY L. LEE,  
Assistant to the President,  
Pennsylvania Railroad Co., Philadelphia, Pa.

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PENNSYLVANIA RAILROAD CO.,  
OFFICE OF EXECUTIVE ASSISTANT,  
Philadelphia, June 3, 1914.

DEAR MR. ROCKEFELLER: Mr. Rea is quite agreeable, in view of the important questions involved, to my undertaking the plan along the lines we discussed.

I shall be happy to see you in a few days, to take up plans somewhat definitely, but in the meantime I will go ahead with such tentative arrangements as it will be possible to make.

I should be glad to have a talk with Mr. Bowers. Will you be kind enough to advise as to when and where it will be best for me to see him? I should think that a few hours' talk would give me all the information I require at the moment.

I inclose a copy of a pamphlet I spoke to you about yesterday which we issued last year with reference to the floods in the Middle West. We distributed some ten or fifteen thousand copies of this to very good advantage, in my opinion.

Very truly, yours,

Mr. JOHN D. ROCKEFELLER, Jr.,  
26 Broadway, New York City.

JUNE 5, 1914.

DEAR MR. ROCKEFELLER: You will find herewith most of the newspaper clippings you sent me. A few I have retained, as they contain suggestions which I hope later to utilize.

Attached hereto you will find a proof of a sample leaflet of a proposed series to be issued by the operators at Denver, together with the manuscript copy of a slip which should be sent out with the leaflets. It is the idea that all of these shall be called "The Struggle in Colorado for Industrial Freedom," though, of course, you may suggest a better title. I think the pages should be somewhat shorter than these galleys indicate.

It is the thought that by sending these leaflets to a large number of leaders of public opinion throughout the country you will be able to get certain ideas before the makers of that public opinion which will be of value.

In order that you may see clearly the thought I have in mind, I am sending herewith a bound volume containing a set of the leaflets we issued in connection with the recent campaign to increase freight rates 5 per cent.

These bulletins were sent out to the press and printed on one side of the sheet, and were also sent to Members of Congress, governors of States, etc., in pamphlet form printed on both sides of the sheet. They were usually accompanied by a loose note, such as that inclosed, in order to show the authority back of them. I inclose a sample of each of the forms in which the bulletins were sent to the press and that in which Members of Congress, etc., received them.

In his speech in Congress on Tuesday, May 5, in speaking of these leaflets, Senator La Follette said:

"The Baltimore & Ohio, New York Central, and Pennsylvania Railroads conducted a publicity campaign through the publicity agent of the Pennsylvania Railroad. Thirty-two anonymous, ex parte bulletins, reprinted below, have been issued and scattered broadcast over the country. They have formed the basis of thousands of news items, editorials, and addresses. They played no small part in influencing a large proportion of the upward of 22,000 newspapers in the United States."

I have in mind that perhaps through the issuance from Denver of a series of such bulletins we can do a great deal to clarify the public mind. As bulletin No. 2, I would suggest that we utilize those portions of the report of the military occupation of the strike zone dealing with the question of disarmament, preceding what is said on that subject with this introduction:

"In order that the people of Colorado and the public generally might understand conditions with which the militia and the mine operators were confronted in the strike zone of Colorado, Brig. Gen. John Chase, commanding the military district of Colorado, has submitted a comprehensive report to the governor, giving a full account of the military occupation of the strike zone. In that report Gen. Chase has this to say with reference to his efforts to disarm the strikers and the mine guards."

I would follow this leaflet with a considerable number of such leaflets, the idea being to make them all dignified, free from rancor, and based as far as possible upon documentary or other evidence susceptible of proof, if need be. The distribution of these through an extended period will, I am quite sure, create a great deal of discussion.



I am going to Binghamton to-night to see Mr. Bowers, and will take along this draft and explain these ideas to him. It may be that he can give me additional suggestions for further bulletins. I already have enough material right here, however, to get a number of them started. They can, at any rate at first, be printed and addressed in Philadelphia, and then be sent out to Denver to be mailed.

I have heard from Mr. Bigelow that he is prepared to go to Colorado early next week and start preparation of the booklet we have talked of. Will it be sufficient if I address a note of introduction to Mr. Welborn asking him to extend all facilities to Mr. Bigelow?

With reference to the other matters we discussed, they are all under way, and I shall doubtless have definite advices to give early next week.

Very truly, yours,

Mr. JOHN D. ROCKEFELLER, Jr.,  
26 Broadway, New York City.

26 BROADWAY,  
New York, June 5, 1914.

DEAR MR. LEE: I am sending you herewith further literature on Colorado, all of which kindly return to me, with the other clippings and documents, when you have finished with them. The article from the Evening Post of June 3, which is excellent, is written by the manager of the coal mines of the Colorado Fuel & Iron Co., a man of the highest standing and very generally liked in the coal fields. The editorial from the New York Times of June 3 indicates the vacillation of the papers in their attitude toward this question. The article in the Pueblo Chieftain of May 31, written by the wife of one of the miners, is excellent, as also the article in the same paper by a small operator. I am sending, in addition, a copy of the Home Defender for June, which gives on the first and last pages the statement of Mrs. Helen Grenfell and the Colorado Masons' resolution, both of which you may have already seen. I also inclose letters and clippings sent to Mr. McClement, one of the directors of the Colorado Fuel & Iron Co., by Mr. Welborn, the president.

Since writing the above, I have received this file from Mr. Bowers, which is worth reading. Also an excellent article from the Coal Age, which outlines a plan for a broad, educative campaign of publicity, such as you and I have talked of.

Very truly,

JOHN D. ROCKEFELLER, Jr.

Mr. IVY L. LEE,  
Broad Street Station, Philadelphia, Pa.

26 BROADWAY,  
New York, June 8, 1914.

DEAR MR. LEE: Your letter of June 5, with its inclosures, is received. I authorize the publication and distribution of the sample leaflet No. 1, of which you inclose a galley proof. We can not think of a better title for the series than that which you have selected. The foreword which you propose to mail with the leaflet covers the ground.

I note that you have arranged with Mr. Bigelow to go to Denver at once to prepare the booklet on the sociological and welfare work which the Colorado Fuel & Iron Co. does among its employees. This I authorize, and am writing Mr. Welborn that you will send Mr. Bigelow to him for such suggestion and cooperation as Mr. Welborn can give him.

Very truly,

JOHN D. ROCKEFELLER, Jr.

Mr. IVY L. LEE,  
Broad Street Station, Philadelphia, Pa.

THE EYRIE,  
Seal Harbor, Me., July 8, 1914.

DEAR MR. LEE: I think I have sent you a copy of Mr. Brisbane's article on Colorado from the American Press of May 9. To make sure I am inclosing an additional copy.

I am wondering whether any portion of this editorial could be used in a bulletin. Please return this copy to me if you have others.

Mr. Greene tells me of your letter in answer to President Eliot's suggestion of names for the bulletins. I certainly think that all college and university presidents should be on the list.

Very truly,

JOHN D. ROCKEFELLER, Jr.

Mr. IVY LEE,  
The Pennsylvania Railroad Co.,  
Broad Street Station, Philadelphia.

JULY 8, 1914.

DEAR MR. ROCKEFELLER: I have to advise that I am sending you to-day, under separate cover, 50 copies of Bulletin No. 5.

Very truly, yours,

Mr. JOHN D. ROCKEFELLER, Jr.,  
The Eyrie, Seal Harbor, Me.

THE EYRIE,  
Seal Harbor, Me., July 9, 1914.

DEAR MR. LEE: Your letter of July 6 is received. I am much gratified at Mr. Welborn's expressions of appreciation of your work.

The various newspaper clippings referring to the Johns Hopkins gift are excellent.

I am sending you the March copy of the monthly bulletin of the American Iron and Steel Institute. I wonder whether anything of this kind would be valuable in connection with the fuel company.

The inclosure need not be returned.

Very truly,

JOHN D. ROCKEFELLER, Jr.

Mr. IVY LEE,  
Broad Street Station, Philadelphia, Pa.

JUNE 10, 1914.

DEAR MR. ROCKEFELLER: For your information, I inclose herewith copy of a letter which I am to-day writing to Mr. Welborn.

Would it not be desirable that I meet Maj. Boughton before he returns to the West?

If you agree in this, I will be glad to arrange a meeting at his convenience.

Very truly, yours,

Mr. JOHN D. ROCKEFELLER, Jr.,  
26 Broadway, New York City.

26 BROADWAY,  
New York, June 10, 1914.

DEAR MR. LEE: I am sending you herewith a copy of Business America for June, in which you will see articles by Upton Sinclair and Prof. John Bates Clark. This article of Sinclair's and his letter to me of May 26, a newspaper copy of which I gave you the other day, has made me wonder whether it would be wise for me to make some indirect reply in the papers which would correct some of the glaring and false statements contained in the magazine article and letter. With that in view, I have dictated the memorandum which I inclose. It is rough and incomplete and only suggestive. After further reflection and conference with my colleagues here, we have agreed that it is best for me not to make any publication at this time. Several points in my memorandum, however, could well, even more appropriately, be used in the letter from Gov. Ammons to President Wilson which you are proposing to prepare as soon as the major's memorandum reaches you, which I hope will be very shortly.

I am also sending you several pages from the Black Diamond of May 9 and May 16. The former gives an excellent history of the situation and conditions leading up to the strike, an extended statement by Mr. Welborn covering the



situation, also an editorial, which is good. The latter deals more particularly with the Ludlow battle. You will find both informing.

For you to glance through, I am sending you the Rockefeller number of the Christian Socialist and a copy of the Longmont Ledger from Boulder, Colo., issued May 27. Also E. W. Howe's Monthly for June, which has a pretty strong article regarding the unbridled license of the press and the necessity for some offsetting force. Please return all of these publications when you have finished with them.

Very truly,

JOHN D. ROCKEFELLER, JR.

Mr. IVY L. LEE,  
*Broad Street Station, Philadelphia, Pa.*

26 BROADWAY,  
*New York, June 10, 1914.*

DEAR MR. LEE: Inclosed please find check to your order for two thousand dollars (\$2,000) as a personal loan applicable to the initial expense of organizing the publicity campaign which you are undertaking on behalf of the coal operators in Denver. So soon as your statements of account begin to be sent in and checks in payment thereof from the operators' committee to reach you, this money may be returned to us.

As I said to you yesterday, I should be glad to have you spend any night next week, up to Friday night, with me in New York that we may discuss the philanthropic and educational work which this office has been doing. Please advise me at your convenience what night will suit you best.

Very truly,

JOHN D. ROCKEFELLER, JR.

Mr. IVY L. LEE,  
*Broad Street Station, Philadelphia, Pa.*

JUNE 13, 1914.

DEAR MR. ROCKEFELLER: The various documents you have sent me have been received and I am giving them careful consideration. I have not received the series of articles by your father, published in the World's Work. I remember reading them at the time, but shall be glad to read them again, as I would of course now go over them much more carefully.

The information from Mr. Easley is most interesting. I feel that about the third bulletin we should get out would be one summarizing the present strike situation in Colorado. It was with that idea in mind that I wrote the letter to Mr. Welborn.

The printing of the bulletins is going ahead and we expect to get the first bulletin out next week. There has been some delay owing to the fact that I want to get a typographical arrangement which is exactly as I think it should be. After the first one is gotten exactly as we want it, the following ones can go ahead on just the same lines. My plan is that after we get this started, to get one out about twice a week for some months. The cumulative effect of this should be valuable.

I have written Mr. Greene asking him to make an appointment for me to see Maj. Boughton next Tuesday afternoon, and I shall be glad to communicate with you upon my arrival in New York and arrange as to when and where I shall meet you. I am looking forward with pleasure to spending Tuesday night at your home.

Very truly, yours

Mr. JOHN D. ROCKEFELLER, JR.,  
*26 Broadway, New York City.*

JUNE 11, 1914.

DEAR MR. ROCKEFELLER: I acknowledge with interest yours of June 10, inclosing a copy of Business America and other publications, together with a draft of memorandum which you had dictated. I feel that the time will soon be ripe for you to say something on this subject, and, in regard to that, I hope to talk to you when I see you next Tuesday night. I am inclined to think that at the moment the best thing we can do would be to give the letter from

Gov. Ammons to President Wilson our attention, and I hope that we can accomplish something very soon.

The other document you inclose I shall examine with care. Meanwhile, I am working up various leaflets, with a view to their being sent out to Denver.

I also acknowledge receipt of check for \$2,000, applicable to expense of organizing the publicity campaign. I understand that this is to be utilized as working capital and to be returned at your pleasure or when the scheme reaches a point where such working capital is not required.

As advised you this morning, I shall be glad to come over next Tuesday night, if that is agreeable to you, and wish to thank you for your proffered hospitality.

Very truly, yours,

Mr. JOHN D. ROCKEFELLER, Jr.,  
26 Broadway, New York City.

JUNE 11, 1914.

DEAR MR. ROCKEFELLER: I do not know to what extent you are able to read newspaper clippings such as the inclosed. They take a good deal of time and I do not want to burden you with things of this sort, but these two clippings are rather significant along the lines of the general question we have talked of and concerning which I am giving a good deal of thought.

Desiring as I do that you should understand some of the ideals by which I work, I am venturing to inclose you a manuscript copy of an address I delivered before the American Railway Guild in New York some weeks ago. Perhaps Mr. Murphy and Mr. Greene might also be interested to read this. Also, I might add, this address was published in the Railway Age Gazette last week and I notice has been reprinted in the New York Journal of Commerce of yesterday. The American Railway Guild plans to print it and to send it to every railroad officer in the United States. I tell you these facts in order that I may justify my suggesting that you take the time to read it.

Very truly, yours,

Mr. JOHN D. ROCKEFELLER, Jr.,  
26 Broadway, New York City.

26 BROADWAY,  
New York, June 11, 1914.

DEAR MR. LEE: I am sending you herewith, from the June number of Everybody's Magazine, an article on Colorado, by George Creel, which I think you should read, in order to know what infamous statements are being made.

I am also sending you a copy of a series of articles written by my father several years ago and published in the World's Work, which will give you a little insight into his life and character and work. This background will be helpful to you.

Very truly,

JOHN D. ROCKEFELLER, Jr.

Mr. IVY L. LEE,  
Broad Street Station, Philadelphia, Pa.

26 BROADWAY,  
New York, June 18, 1914.

DEAR MR. LEE: In line with what Mr. Brown said about the method which he has pursued with the harvester company wherever any articles unfavorable to the company have been written, we are wondering whether it might not be well to make a reply to all the papers which have printed misstatements of fact regarding the fuel company. This would be quite an arduous task, and of course a good deal of time has passed since many of the articles were written. On the other hand, we are inclined to believe that it is well worth considering. If you should agree, it would be possible for some one whom you might appoint to go through our scrapbook of clippings, make a note of all the different statements contained in the various articles, which, after the first few articles have



been studied, would be very generally repeated, and send such a list to Denver to have the answers prepared. You would then have the misstatements and the facts in each instance before you and would probably be in a position to take the clippings one by one and write an individual letter to each which would cover fully the situation.

We can discuss this matter when you come here on Monday.

Very truly,

JOHN D. ROCKEFELLER, Jr.

Mr. IVY L. LEE,  
*Philadelphia, Pa.*

26 BROADWAY,  
*New York, June 18, 1914.*

DEAR MR. LEE: Referring to the publication on a weekly basis and with many additional features of The Nation's Business by the Chamber of Commerce of the United States, of which matter I spoke to you the other night, I am inclosing herewith copies of two letters from Mr. Harry A. Wheeler, setting forth the project rather more fully than I was able to.

I have written Mr. Wheeler of my talk with you about this matter and have told him that you are soon to be in Chicago and asked him if he would arrange to talk the matter over with you.

Very truly,

JOHN D. ROCKEFELLER, Jr.

Mr. IVY L. LEE,  
*Broad Street Station, Philadelphia, Pa.*

JUNE 19, 1914.

DEAR MR. ROCKEFELLER: Your various letters of June 17 and 18 to hand. As per your request, I send you herewith a half dozen copies of Bulletin No. 21, with the inclosing sheet. I will hereafter send you a dozen copies of these bulletins as issued. Would it be desirable to send copies of these bulletins, also, to each member of the board of the Colorado Fuel & Iron Co.?

In accordance with your kind suggestion, I am planning to leave here at 10 o'clock Monday morning and will call at your office immediately upon arrival. That should put me at your office at about 12.15, and I shall be very happy to lunch with you, should that be entirely convenient to you. As you will no doubt have many demands upon your time that day, do not hesitate to withdraw from this plan if it is more convenient.

I think Mr. Brown's suggestion as to writing letters to people who have printed misstatements of fact is excellent and that we should follow it. We have always done something of this kind in the railroad, although not quite as comprehensively as Mr. Brown has done. Our feeling has been that constructive, positive publicity was of more importance, but I was much impressed with the possibilities of further development along the lines suggested by Mr. Brown. Assuming your approval, therefore, I am arranging at once to have some one go over your scrapbooks and follow out your suggestion. In the meantime, I am making arrangements to go over every clipping that appears on this subject, or with reference to your own interests, in order that we may follow them up.

The suggestion in the letter to you from Mr. Murphy that we should reach the farmers' organizations is first rate, and we shall make plans to do so.

I return herewith the letter to you from Mr. Galt. As you say, I am in entire agreement with you that the method suggested is not a wise one. I am inclosing some correspondence from the Chicago Examiner, which is indirectly aimed at the new management of the combined Chicago Inter-Ocean and Record-Herald. As I understand it, this paper has been financed by about \$1,500,000 of money supplied by the leading financial interests of Chicago. You will see the kind of criticism which it has immediately called forth.

Thank you for the letter from Mr. Wheeler, which I have read with interest. I shall take advantage of the first opportunity to call on Mr. Wheeler when I am in Chicago, which I hope will be within the next two weeks. There is no doubt that something can be done along these lines. The subject is so vast, however, that I want to consider it very carefully before submitting to you a definite recommendation. I have many thoughts in mind, but feel that I should consider them from every angle before presenting them to you as worthy of the consideration of yourself and friends. I do not believe, however, that I will

ever come to a point of thinking that you should establish and become responsible for a string of daily newspapers.

Very truly, yours,

Mr. JOHN D. ROCKEFELLER, Jr.,  
26 Broadway, New York City.

THE EYRIE,  
Seal Harbor, Me., June 26, 1914.

DEAR MR. LEE: I am sending the following inclosures:

No. 1. Tarrytown Daily News, June 22, recounting Upton Sinclair's speech at Tarrytown Sunday last.

No. 2. The Tarrytown Argus of June 19, containing Sinclair's last open letter to me, Mrs. Charles Gould's letter to the Times (and, by the way, might it be worth while to put her on your bulletin mailing list?), and several other items on the Tarrytown agitation. These may be helpful in preparing an article for the Tarrytown papers.

No. 3. A letter from Australia with a clipping comparing father to Mr. Ford; the letter may be destroyed.

No. 4. A clipping from the Daily Camera entitled "What is a tent colony?"

No. 5. An editorial from the Nashville Banner regarding an act of Congress refusing further financial cooperation of the General Education Board in farm demonstration work.

No. 6. A letter from Grand Rapids, Mich., with clippings attached chiefly from the publication *An Appeal to Reason*.

Please return all of these things to Mr. C. O. Heydt, my secretary, at 26 Broadway, New York, for the scrapbook when you have finished with them.

Very truly,

JOHN D. ROCKEFELLER, Jr.

Mr. IVY LEE,  
Philadelphia, Pa.

THE EYRIE,  
Seal Harbor, Me., June 29, 1914.

DEAR MR. LEE: I am sending you herewith copies of letters written to various Senators and Congressmen in regard to Senator Kenyon's bill for the termination of the partnership between the Government and the General Education Board in the conduct of farm demonstration work in the South. As showing how this work is regarded by some who know, I believe these letters will be of interest to you.

The letter of Dr. Albert W. Shaw to Senator Kenyon will be valuable because it gives so full and clear a history of the organization and development of the work of the board.

These letters need not be returned.

Very truly,

JOHN D. ROCKEFELLER, Jr.

Mr. IVY LEE,  
The Pennsylvania Railroad Co.,  
Broad Street Station, Philadelphia, Pa.

THE EYRIE,  
Seal Harbor, Me., June 29, 1914.

DEAR MR. LEE: Please send a half dozen copies of the bulletins, commencing with the first and going through the series, to Judge John A. Peters, Ellsworth, Me.; also the same number to him currently at Washington, D. C. He is a Congressman.

Please send a half dozen copies from the beginning and currently to Mr. George L. Stebbins, Seal Harbor, Me., and add the following names to your list for a copy each: Harry H. Lynam, Esq., Bar Harbor, Me.; Elliot N. Benson, Esq., Bar Harbor, Me.; James N. Emery, Esq., Bar Harbor, Me.

I shall be interested to see the letter from Gov. Ammons to the governors, and also the Tarrytown article which you are preparing.

Very truly,

JOHN D. ROCKEFELLER, Jr.

Mr. IVY LEE,  
The Pennsylvania Railroad Co.,  
Broad Street Station, Philadelphia.



JUNE 29, 1914.

DEAR MR. ROCKEFELLER: Your telegram of Saturday came duly to hand. I am sending you to-day by parcel post 50 copies each of Bulletins Nos. 1 and 2 and shall take pleasure in sending you a like number of copies of future issues as they appear.

I also have your letter of June 26 and have duly noted its contents. Will forward them to Mr. Heydt. You will understand that I had already prepared the article for the Tarrytown papers.

Yours, very truly,

Mr. JOHN D. ROCKEFELLER, Jr.,  
*The Eyrie, Seal Harbor, Me.*

JUNE 29, 1914.

DEAR MR. ROCKEFELLER: Your telegram of Saturday came duly to hand. I am sending you to-day by parcel post 50 copies each of Bulletins Nos. 1 and 2 and shall take pleasure in sending you a like number of copies of future issues as they appear.

May I venture to express the hope that you are having a pleasant and healthful sojourn at Seal Harbor, and remain,

Yours, very truly,

Mr. JOHN D. ROCKEFELLER, Jr.,  
*The Eyrie, Seal Harbor, Me.*

THE EYRIE,  
*Seal Harbor, Me., June 30, 1914.*

DEAR MR. LEE: I inclose a memorandum and a clipping just received from Mr. Brown. It is splendid material for use in a campaign of enlightenment regarding some phases of unionism. The inclosure need not be returned.

Please add to your bulletin mailing list the following: Hon. Everett Colby, Llewellyn Park, Orange, N. J.; Mr. E. L. Ballard, No. 2 Liberty Street, New York; Mr. David C. Link, Produce Exchange Building, New York; Dr. Cornelius Woelfkin, 123 West Fifty-seventh Street, New York; the Bangor Daily Commercial, Bangor, Me.; Hon. J. P. Bass, Bangor, Me.

Yours, very truly,

JOHN D. ROCKEFELLER, Jr.

Mr. IVY LEE,  
*The Pennsylvania Railroad Co.,  
Broad Street Station, Philadelphia, Pa.*

PENNSYLVANIA RAILROAD Co.,  
OFFICE OF EXECUTIVE ASSISTANT,  
*Philadelphia, June 30, 1914.*

DEAR MR. ROCKEFELLER: I beg to advise that I am sending you to-day, under separate parcel-post cover, 50 copies of Bulletin No. 3.

Very truly, yours,

Mr. JOHN D. ROCKEFELLER, Jr.,  
*The Eyrie, Seal Harbor, Me.*

JULY 2, 1914.

DEAR MR. ROCKEFELLER: The inclosures with your letter of June 29, with reference to the General Education Board, have come to hand, and I shall read them with keen interest. We are carefully noting your instructions as to additions to our mailing list.

The memorandum from Mr. Brown is very interesting, and we shall retain it for possible future use.

The Tarrytown article, I understand, is to be published as an editorial in one of the Tarrytown papers within the next day or so. I inclose an extra copy of the manuscript for your information.

With reference to the letter for Gov. Ammons, I am not entirely satisfied with the draft I prepared, and I am making certain amendments to it. I send out a draft for discussion, but will get it into shape in a day or so and then send you a copy. The idea is—and it is a difficult idea to execute—to prepare a very brief statement of the case which will command public attention rather than to make any very comprehensive statement of the situation.

No doubt you have seen the article in the North American Review for July. Col. Harvey is coming over to lunch with me to-morrow, and I am going to talk with him about Mr. Harry Wheeler's scheme.

You have doubtless seen Congressman Kindel's speech. At the suggestion of Mr. Bowers, we are going to arrange to have Mr. Kindel distribute some 20,000 or 30,000 copies of his speech to a mailing list which we will supply. I took this up with Mr. Murphy.

I inclose a draft of proposed statement to be made in Baltimore next Monday regarding the putting of Johns Hopkins University on full time.

Though we did not ask nor expect that our bulletins be reprinted, you will observe from the inclosed clipping from the Cattanooga (Tenn.) News that the heaven is beginning to work.

Very truly, yours,

Mr. JOHN D. ROCKEFELLER,  
*The Eyrie, Seal Harbor, Me.*

JULY 3, 1914.

DEAR MR. ROCKEFELLER: I hesitate to bother you with letters, and I want you to understand that I won't write any letters to you while you are away which call for an answer. I will simply keep you supplied with information from time to time, feeling that this is simply by the way and does not eliminate the necessity for advising fully with your New York office concerning everything. I am keeping up my relations with them precisely as if you were there. Knowing your interest, however, I am venturing to send you certain matters for your information. If you don't want to read it, why, of course, I hope you will not trouble yourself with it, because there is no occasion for acknowledging or retaining any of these letters which I am writing you while you are away.

I inclose an article from the Northampton (Mass.) Herald, which you will see uses as an editorial the first page of our first bulletin. I am also sending you an editorial from the Boston (Mass.) Post, the Newark (N. J.) Star, and the New Meridan (Conn.) Record, concerning the Rockefeller Institute gift, and in order that you may have the other side of the picture I am sending you a copy of the New York Call editorial, which paper is, as you know, the organ of the militant labor lights of New York. May I also inclose a copy of a statement which we are putting out for the General Education Board in the form in which it has been approved by Dr. Buttrick?

Very truly, yours,

Mr. JOHN D. ROCKEFELLER, Jr.,  
*Seal Harbor, Me.*

JULY 6, 1914.

DEAR MR. ROCKEFELLER: In order that you may see how the bulletin scheme is affecting your people in Denver, I send you herewith two letters from Mr. Welborn which are self-explanatory. Bulletin No. 6 is going to press to-day, and will, I think, be apt to attract more attention from the newspapers. It is a statement by the operators of the actual conditions in Colorado to-day.

For your information I inclose herewith a number of clippings showing the manner in which the newspapers used the announcement concerning Johns Hopkins full-time scheme. In view of the fact that this was not really news, and that the newspapers gave so much attention to it, it would seem that this was wholly due to the manner in which the material was "dressed up" for newspaper consumption. It seems to suggest very considerable possibilities along this line.

Very truly, yours,

Mr. JOHN D. ROCKEFELLER, Jr.,  
*Seal Harbor, Me.*



THE EYRIE,  
Seal Harbor, Me., July 6, 1914.

DEAR MR. LEE: I have your letter of July 1. I had seen the article on the two and a half million gift to the Rockefeller Institute, but did not know whence it originated. Thank you for sending me the comments which it elicited; they were generally excellent, particularly Mr. Brisbane's editorial, for which I have just written him a letter of appreciation.

Let the good work go on. Mr. Welborn's telegram is interesting. I return it herewith.

Very truly,

JOHN D. ROCKEFELLER, Jr.

Mr. IVY LEE,  
Broad Street Station, Philadelphia.

THE EYRIE,  
Seal Harbor, Me., July 7, 1914.

DEAR MR. LEE: I am sending you a copy of The Daily Camera from Boulder, Colo., which gives an excellent account of the labor war.

Please return this paper to my office for file when you have finished with it.

I am wondering whether it would be worth while to correct by letter to the editor, the statement marked in pencil which you sent me from the Chattanooga News.

Very truly,

JOHN D. ROCKEFELLER, Jr.

Mr. IVY LEE,  
Broad Street, Philadelphia.  
The Penn. R. R. Co.

JULY 10, 1914.

DEAR MR. ROCKEFELLER: I have to advise that I am sending you to-day, under another cover, fifty (50) copies of Bulletin No. 6.

Very truly, yours,

Mr. JOHN D. ROCKEFELLER, Jr.,  
The Eyrie, Seal Harbor, Me.

JULY 11, 1914.

DEAR MR. ROCKEFELLER: Here is an editorial from the St. Louis Star based on the article we gave out concerning the Rockefeller Institute. You will, I think, be interested to read it. The editor of this paper, Mr. Edward S. Lewis, is a very intimate friend of mine, and, if you feel so disposed, I am sure that Mr. Lewis would appreciate a letter from you acknowledging the courtesy of their publishing this editorial.

I have this morning your letter inclosing the bulletin of the American Iron and Steel Institute, and I am taking up with Mr. Bigelow the question as to whether or not we could utilize something of this kind with reference to the Colorado Fuel & Iron Co.

Here is a clipping from the Wall Street Journal of to-day with reference to the Westinghouse strike, which is of interest in connection with the general labor situation.

You will be interested to know that I had a talk a day of two ago with Mr. F. A. Delano, who is a member of the Industrial Relations Commission, which is now investigating labor questions. There had been a report in the papers that that commission was to go to Denver and hold hearings there. Mr. Delano assured me that the commission had decided not to go to Denver until the pending difficulty was over. That will prevent a reopening of the floodgates on this subject.

We are glad to take care of the various requests you make to put names on our mailing list. We are expanding this mailing list slowly, and I trust effectively. You will understand that the whole purpose we have in mind in these bulletins is to get abroad certain elemental truths on which we can build an even more aggressive superstructure of activity.

Mr. Rea told me that he had said something to you about my intention to go to Europe with my family August 1. I have decided, however, that in view

of the acuteness of the situation concerning your interests that I will not accompany my family on this trip. I have about decided, in fact, that I will postpone any vacation at any rate until sometime in the autumn. I have been staying here expecting the rate decision to come out any date, and I did not want to go to Colorado until that was out. As the decision has been postponed so long, and as my family will be sailing for Europe on the 31st of July, I shall postpone going to Colorado until they go away. I will then be free to go out there and perhaps stay longer than I otherwise would.

Very truly, yours,

IVY L. LEE.

P. S.—This delay in my going to Colorado will enable me, I hope, to go over Mr. Bigelow's material and get it into shape promptly for publication. Mr. Bigelow has returned with a large amount of interesting material, much of it quite outside of the scope of the subject which I had him primarily to take up. He is now working on it at his home in Massachusetts, and I hope to have some of the results here early next week.

Your suggestion that we utilize, if possible, a portion of the editorial in the American Press in the form of a bulletin, is at hand, and I will be glad to work it up.

I. L. L.

THE EYRIE,

Seal Harbor, Me., July 13, 1914.

DEAR SIR: Will you please add to your mailing list, commencing with Bulletin No. 7, the following:

*New York State.*—Mr. Robert A. Patterson, No. 44 Croton Avenue, Tarrytown; Mr. Fred J. Hall, No. 4 Benedict Avenue, Tarrytown; Mr. Robert E. Hopkins, commissioner of police, South Broadway, Tarrytown; Mr. William J. Bowles, chief of police, Tarrytown; Mr. Milton Minnerly, chief of police, North Tarrytown.

*State of Maine.*—Mr. B. L. Hadley, Ledgelawn Avenue, Bar Harbor; Mr. John S. Lynam, Ledgelawn Avenue, Bar Harbor.

Yours, very truly,

JOHN D. ROCKEFELLER, Jr.

Mr. IVY LEE,

Broad Street Station, Philadelphia, Pa.

THE EYRIE,

Seal Harbor, Me., July 13, 1914.

DEAR MR. LEE: Your letter of July 11 is received. I have read the news article and the editorial from the St. Louis Star with interest, and will gladly write Mr. Lewis.

Let us hope the Colorado situation may terminate as satisfactorily as the Westinghouse strike.

I do not recollect that Mr. Rea mentioned your vacation to me, although he may have done so. I am sorry that you can not go abroad with your family as planned, but greatly appreciate your following our matters so aggressively.

I inclose herein a copy of my letter to Mr. Lewis written at your suggestion.

Very truly,

JOHN D. ROCKEFELLER, Jr.

Mr. IVY LEE,

Broad Street Station, Philadelphia, Pa.

JULY 20, 1914.

DEAR MR. ROCKEFELLER: Yours of July 17, inclosing letter from Mr. Charles Frederick Carter, is at hand. I will look up Mr. Carter and see who he is. I have not yet quite made up my mind as to who is the man for this purpose, though I am giving it a great deal of thought.

I had seen the editorial in the Springfield Republican and am arranging to reprint some portions of it in one of our bulletins. I am returning herewith the clipping, in the thought that you may want to use it in other ways.

I have read with a great deal of interest the article on "Labor and capital," by Prof. Stevenson. It is, as you say, excellent, and we shall want to use it in our general campaign.



Perhaps you will be interested to read the inclosed letter from Congressman Kindel, which I shall ask you to be kind enough to return to me.

I send herewith a number of newspaper editorials, which may perhaps be of interest to you. Do not take the trouble to return them.

Very truly, yours,

Mr. JOHN D. ROCKEFELLER, Jr.,  
*Seal Harbor, Me.*

JULY 21, 1914.

DEAR MR. ROCKEFELLER: Copies of Bulletins Nos. 1, 2, 3, 4, and copies of the explanatory statement first issued, have been sent to Mr. Wallace Heckman, as you requested.

I am sending you to-day, by parcel post, 50 copies of Bulletin No. 7.

Very truly, yours,

Mr. JOHN D. ROCKEFELLER, Jr.,  
*The Eyrie, Seal Harbor, Me.*

JULY 24, 1914.

DEAR MR. ROCKEFELLER: Your letter of the 20th of July, in regard to the Pennsylvania Railroad bulletins, is received. I shall be very glad to take up with Mr. Welborn the question you suggest. I think it would be a most excellent plan to develop some scheme of this sort to cultivate a better understanding between the management and the men. I am asking Mr. Welborn to consider the matter, and then we can talk it over as regards details and concrete ideas when we get together in Denver.

It is my plan to leave for Denver about Tuesday, August 4. I would go before that (upon the assumption that the Interstate Commerce Commission issues its decision in the pending rate case before that time), but for the fact that I feel that it is desirable that I should have a talk with you. There is nothing especially that I feel it necessary to take up directly with you, but as otherwise I probably would not see you until after the 1st of September, it seems to me that good purposes would be served if we had a conference. With that in mind, I am wondering if you could make it convenient to have a talk with me in New York on either the 3rd or 4th of August?

You ask in your letter if the editors to whom I had suggested that Mr. Welborn write should not receive the bulletins currently. We had been sending the bulletins to these newspapers from the beginning, but the feeling was that a personal letter from Mr. Welborn, accompanied by two or three of the bulletins specifically, might reinforce our more general distribution.

I have read the Jim Jam Jems article with much interest and am sending it to your New York office, as you suggest, for filing.

Very truly, yours,

Mr. JOHN D. ROCKEFELLER, Jr.,  
*The Eyrie, Seal Harbor, Me.*

JULY 24, 1914.

DEAR MR. ROCKEFELLER: Yours of July 21, inclosing the correspondence with Mr. Brisbane:

I return herewith the two files of correspondence which you sent. I concur entire in the view you have taken that this is not quite the time for you to write the kind of article which Mr. Brisbane wants. I have watched the publications with reference to the New York meeting very carefully, and it does not seem to me that that meeting created a ripple on the surface.

Your suggestion that bulletins be sent to the representative men on the list is excellent. We shall see to it that that is done.

I have been very much interested in reading these papers, and thank you for giving me the opportunity of doing so.

I had quite a talk with Mr. Brisbane yesterday, and I am inclined to think that it would be a good opportunity for you to write a personal letter to Mr. Brisbane suggesting to him the wisdom of publishing a statement of facts regarding the Colorado situation. I would suggest that you devote your whole

letter on this subject to inclosing a copy of Congressman Kindel's speech and saying to Mr. Brisbane that in the event that he desires additional information, you would be glad to have it furnished him. The speech you inclosed from Mr. Pinchot is full of so many misstatements that it seems almost hopeless to assume to answer it other than by putting his name on our mailing list and giving him the facts.

Very truly, yours,

Mr. JOHN D. ROCKEFELLER, Jr.,  
*The Eyrie, Seal Harbor, Me.*

\_\_\_\_\_  
JULY 24, 1914.

DEAR MR. ROCKEFELLER: We are sending you to-day by parcel post 50 copies of Bulletin No. 8 and 50 copies of Bulletin No. 9.

Very truly, yours,

Mr. JOHN D. ROCKEFELLER, Jr.,  
*The Eyrie, Seal Harbor, Me.*

\_\_\_\_\_  
JULY 30, 1914.

DEAR MR. ROCKEFELLER: We are sending you to-day by parcel post 10 copies of Bulletin No. 10.

I shall be very glad to take lunch with you on Tuesday, as you suggest.

Yours, very truly,

Mr. JOHN D. ROCKEFELLER, Jr.,  
*26 Broadway, New York City.*

\_\_\_\_\_  
AUGUST 5, 1914.

DEAR MR. ROCKEFELLER: I am just off for Denver, where I will be at the Brown Palace Hotel.

I will send you to-night or to-morrow the letter from Mr. Welborn, which you gave me and which has gotten mixed up with some of my papers, which I am taking along with me.

In the event you wish to communicate with me while I am away I would suggest that you write to my Philadelphia office, who will forward mail to me.

Yours, very truly,

Mr. JOHN D. ROCKEFELLER, Jr.,  
*26 Broadway, New York City.*

\_\_\_\_\_  
THE EYRIE,  
*Seal Harbor, Me., July 17, 1914.*

DEAR MR. LEE: I inclose herewith a letter just received from Mr. Charles Frederick Carter. I know nothing of Mr. Carter, but thought it might be worth while to look him up, unless you already have in mind just the man for this purpose.

In any event perhaps you will be good enough to reply to Mr. Carter's letter on my behalf on the ground that his letter has been referred to you, since you are cooperating with the mine operators in the matter of publicity.

Very truly,

JOHN D. ROCKEFELLER, Jr.

Mr. IVY LEE,  
*Broad Street Station, Philadelphia.*

Have you seen this article from the Springfield Republican?

\_\_\_\_\_  
NEW YORK, July 13, 1914.

Mr. JOHN D. ROCKEFELLER, Jr.,  
*26 Broadway, New York City.*

DEAR SIR: I should like to write and publish for you and for others interested in coal mining in Colorado a book telling the truth about the coal insurrection in that State, exposing the criminal acts of the United Mine Workers



there and elsewhere, with evidence that these outrages were planned and perpetrated to facilitate blackmail and graft, along the lines indicated in my article in the New York Sun of July 5, with a summary of mining conditions elsewhere as a basis of comparison for conditions in Colorado.

Such a book would be an illustrated volume of about 400 pages, well printed and bound, to be published and distributed through customary trade channels by a first-class firm. In addition to the trade distribution free copies would be sent to the following:

To all public libraries in the United States and Canada;

To editors of all daily papers, the important weeklies, and trade papers, instead of to the limited list to which books are ordinarily sent for review;

To the President, his Cabinet, and Members of Congress;

To governors, their heads of departments, and members of legislatures;

To college professors;

To persons named in "Who's Who," not included in the foregoing;

To mailing lists furnished by yourself and others interested in Colorado coal mining.

This plan would enable you and others interested to lay before a large number of persons, at least presumably, influential in forming public opinion, a full, truthful statement regarding the insurrection and the organization that instigated and conducted it. The statement would be in a permanent form which would command attention, as contrasted with incomplete newspaper statements, usually condensed by editors and garbled in the process, or with pamphlets which are rarely read.

This plan for publicity is suggested on its own merits; but a fact further commending it is that ordinary news channels failed so completely to give even an approximation of the truth that the operators had to appeal to various secret societies to send out a statement in their behalf—a striking commentary on the necessity for some effective publicity to counteract the effects of the malevolent mendacity of the United Mine Workers, their associates, and sympathizers.

In making this proposal to you I am assuming that you are especially interested because of the extraordinary campaign of vituperation and threats directed against you by the anarchists and others of addled brains. A truthful account of the insurrection would necessarily throw your own relation thereto into its proper perspective.

From my own point of view it would simplify matters to deal with you personally instead of with the operators collectively, since it would be necessary to submit the manuscript only to you or your attorney, instead of to a number of persons whose views might be divergent, if not irreconcilable. Also, if desired to distribute the cost among several firms or individuals I would be relieved of this detail and so be able to give undivided attention to the book itself.

I believe myself qualified to write such a book because of my special knowledge of the United Mine Workers, gained in six months' work as publicity representative of the coal operators of West Virginia, backed by 25 years' experience as journalist and author. In the last eight years I have written and sold to periodicals 800,000 words of popular articles, chiefly on industrial, technical, and economic subjects, have published a railroad history (my third book), and have contributed 300,000 words to an encyclopedia, including articles on coal and coal mining.

Trusting that I may have an opportunity of taking up this proposal with you, I am,

Very truly, yours,

C. F. CARTER.

JULY 16, 1914.

DEAR MR. ROCKEFELLER: Thank you very much for yours of July 13, which is just to hand. I am delighted with the letter which you have written to Mr. Lewis. It will do good.

Very truly, yours,

Mr. JOHN D. ROCKEFELLER, Jr.,  
The Eyrie, Seal Harbor, Me.

THE EYRIE, *Seal Harbor, Me., July 17, 1914.*

DEAR MR. LEE: I inclose herewith an article by Prof. John J. Stevenson, of the New York University, on "Capital and labor," from the Popular Science Monthly of May. This seems to me one of the soundest, clearest, most forcible pronouncements on this subject I have ever read. I am wondering whether there may not be a stage in our publicity campaign, either connected with the Colorado situation or the union educational campaign, in which portions of this article might be effectively used.

I also inclose an editorial from the American Federationist of July for your information. Please send this to my New York office for filing when you have finished with it.

If you have not seen in our scrapbook the inclosed editorial from the Boston Herald of May 28, I think it will interest you. This inclosure need not be returned.

Very truly,

JOHN D. ROCKEFELLER, Jr.

MR. IVY LEE,  
*Broad Street Station, Philadelphia.*

JULY 17, 1914.

DEAR MR. ROCKEFELLER: Yours of July 15, inclosing copy of Elbert Hubbard's article, just at hand. I will go over the article and see if we can not make something out of it for a bulletin. You will realize that up to the present time it has been the theory of the bulletins that they be confined to statements of fact from sources or people of standing in Colorado itself. We have been seeking to lay a foundation of fact on which perhaps later we can follow with such things as Dr. Hilles's sermon, this article of Hubbard's and perhaps other publications on the subject. It has been my hope, however, to get the basic facts stated in these earlier bulletins. I feel that we still have a little distance to go in that direction.

Bulletin No. 8 is to consist of quotations from Mrs. Helen Grenfell's statement to President Wilson regarding the battle of Ludlow. It seems to me that a statement from an organization of women was the most effective thing we could present on this subject.

The next following bulletin will deal with the question of the wages actually paid to the miners. Mr. Welborn has sent me some interesting and suggestive figures dealing with the wages paid a large number of men for an entire year.

Mr. Murphy sent me a copy of the article in the Popular Science Monthly, which concerns the subjects of labor and capital. I am going to arrange to have it widely distributed, as you suggest.

Very truly, yours,

MR. JOHN D. ROCKEFELLER, Jr.,  
*The Eyrie, Seal Harbor, Me.*

26 BROADWAY,

*New York, June 17, 1914.*

DEAR MR. LEE: Will you be good enough to send me half a dozen copies of Bulletin No. 1, with the inclosing sheet?

I shall expect to hear from you on Monday morning by telephone and to see you at your convenience around noon. Perhaps we can lunch together, since that will be the last opportunity I shall have of seeing you before my departure.

Very truly,

JOHN D. ROCKEFELLER, Jr.

MR. IVY L. LEE,  
*Broad Street Station, Philadelphia, Pa.*

JUNE 1, 1915.

MR. IVY L. LEE,  
*26 Broadway, New York, N. Y.*

DEAR SIR: I have to acknowledge receipt of copies of documents inclosed in an undated letter from your secretary, as stated in the letter, same being: "Copy of letter to Maj. E. J. Boughton, dated June 24, 1914, inclosing draft of suggested statement; copy of the only statement sent for the consideration of



Maj. Boughton (as testified to by Mr. Lee on the 22d instant); statements of expenses, as rendered currently to the operators"; for which please accept my thanks. The duplicate copies were received by me in Washington, during the hearing, but under stress of the work did not receive acknowledgment.

Very truly, yours,

\_\_\_\_\_, Secretary.

26 BROADWAY,  
New York, May 25, 1915.

Mr. LEWIS K. BROWN,  
Secretary Industrial Relations Commission,  
Shoreham Hotel, Washington, D. C.

DEAR SIR: I am requested by Mr. Ivy L. Lee to send the commission the un-  
dermentioned documents, which I have pleasure in handing you herewith:  
Copy of letter to Maj. E. J. Boughton, dated June 24, 1914, inclosing draft of  
suggested statement; copy of the only statement sent for the consideration of  
Maj. Boughton (as testified to by Mr. Lee on the 22d instant); statements of  
expenses, as rendered currently to the operators.

Yours, very truly,

H. W. DENGLE, Jr.,  
Secretary to Mr. Lee.

Copy of this letter and inclosures forwarded to Transportation Building,  
Chicago, Ill.

\_\_\_\_\_  
JUNE 24, 1914.

Mr. E. J. BOUGHTON,  
Symmes Building, Denver, Colo.

MY DEAR MAJOR: I inclose herewith copy of a statement which I hope will  
form the basis for a statement by the governor. My suggestion is that the  
statement be addressed, "To the American People," and that the governor  
write a personal letter to the governor of each State, inclosing this statement  
and asking their cooperation in seeing to it that the people are duly informed  
as to the situation existing in Colorado. The statement might very properly  
be printed and copies also sent to Members of Congress.

I would suggest that when the statement is given out that the governor  
send for the correspondents of the press in Colorado and tell them that he had  
addressed this statement "To the American People" with a view to having  
the position of the State of Colorado set aright.

Kindly note that the statement does not go into great detail, but is merely  
to give an impression—which is all one can expect to result from a statement of  
this kind—that the situation in Colorado is not so simple as it looks, and that  
the strike leaders are not true representatives of the best class of union labor.

My feeling is that it would be well worth while to see to it that some such  
statement as this was distributed broadcast all over the United States. Of  
course, you will want to amend portions of it, but I would urge that amend-  
ment be rather in the direction of reducing its length than of increasing it.  
Every word you save in a matter of this kind is so much to the good.

I shall be interested to know the developments with reference to this sug-  
gestion.

It was a great pleasure to have had the privilege of meeting you and I hope  
to renew that pleasure in the near future.

With kind regards,  
Sincerely, yours,

IVY L. LEE.

DRAFT OF SUGGESTED STATEMENT SENT TO MAJ. BOUGHTON FOR HIS CONSIDERA-  
TION, ACCOMPANYING MR. IVY L. LEE'S LETTER OF JUNE 24, 1914.

Some 2,000 Federal troops are maintaining peace in the coal mining area of  
Colorado. It is important that the American people should understand what  
is really going on.

The situation in Colorado is not so much one of strike as of insurrection. Ten  
thousand men—out of a full quota of 14,000—are at work in the coal mines. I  
am advised that the coal companies are mining all the coal for which there is  
now a market.

Yet if the troops were withdrawn, the coal mining sections would be imme-  
diately aflame with violence. Why? Because a few thousand men, some of

them formerly employed in the mines but now supported by funds sent in from outside the State, are prodded by a few desperate leaders who feel justified in accomplishing their ends by any means whatever which may be available.

Personally, I have always believed in labor unions, and I do still. But both labor unions and corporations should be made to understand that a crime is an offense against society, and that the authority of the State can not be defied with impunity.

Before this strike there had been no serious trouble in our southern coal mines for 10 years. The terms and conditions under which Colorado miners are employed are far more advantageous than those existing in the eastern coal fields. The average daily earnings at five typical mines for the month immediately preceding the strike were, respectively, \$4.41, \$4.27, \$4.98, \$4.67, and \$4.90.

Only 2,048 men out of a total of 23,000 miners in Colorado, New Mexico, and Utah were at that time members of the United Mine Workers of America. This strike was due primarily to agitation by men sent into the State from outside to stir up strife.

The complexity of the case is enhanced by the fact that but few of the miners are American citizens. Of the 14,000 at work last summer, probably not 2,000 were qualified voters. Of the 2,000 men now technically on strike and defying the authority of the State, only a negligible percentage are American citizens and understand the spirit of our institutions.

After the violence at the Oak Creek mines one of the strike leaders, a man named Steinhard, in the presence of a number of witness, made this statement: "I am not an American citizen. I owe allegiance to no government. The United States is the worst country on earth, and I would not wipe my shoes on the American flag." I give his exact statement, in so far as it is printable.

It has been stated that mine guards were enlisted as militiamen to the needless irritation of the strikers. The facts are that out of some 2,000 State troops located in the strike zone, no more than 12 of those who bore arms as militiamen had been mine guards. Our militia are a brave force of men, and they patriotically served in the strike area three months longer than the financial resources of the State made it possible to pay them for their time and effort. Not a scintilla of evidence supports the horrible suggestion that women and children have been ruthlessly killed by our State militia and the mine guards.

What then is the present situation? The men's leaders assert they will not surrender until the union is recognized. The coal operators claim they are fighting for a principle. They declare they do not oppose labor unions as such, but that they will not negotiate with the United Mine Workers of America for an agreement with them means that they must enter into a written contract with this organization and thereby agree, in effect, to employ only members of that union, and to deduct from the pay rolls of every such person all union dues, fines, and assessments for which the member may be indebted, and then remit this sum to union headquarters.

The coal operators are not now permitted to import strike breakers. All that the companies ask is that order be kept. Certainly, therefore, the authority of the State and the Nation can do no less than to say to both sides:

"Regardless of the merits of the controversy, you must obey the law."

The authority of society itself is at bay. The State of Colorado appeals to the people of the Nation to assist it in maintaining a principle fundamental to the very existence of our Republic.

#### MEMORANDUM OF EXPENSES TO JULY 14, 1914.

##### STATEMENT A-1

##### Beck Engraving Co., Philadelphia:

Printing 51,000 loose-leaf sheets	\$58.50	
Printing 37,500 additional loose-leaf sheets	43.70	
		\$102.30
Printing 11,000 Bulletin No. 1	139.50	
Expressage prepaid to Denver	22.85	
		162.35
Printing 11,000 Bulletin No. 2	126.75	
Expressage prepaid	22.85	
		149.60



## Beck Engraving Co., Philadelphia—Continued.

Printing 12,000 Bulletin No. 3	\$106.50	
Express prepaid	19.19	
		\$125.69
Printing 12,500 Bulletin No. 4	116.50	
Expressage prepaid	22.61	
		139.11
1,000 sheets paper for clippings		1.30
3,000 stamped envelopes		63.00
		\$743.25
Howe Addressing Co., Philadelphia:		
62,432 stamped envelopes	\$887.12	
Addressing same	97.45	
Printing 22,815 envelopes with card in corner reading "720 Boston Bldg., Denver, Colo."	22.81	
Furnishing index cards	20.46	
Cutting 11,423 stencils	159.92	
		1,187.76
O. K. Addressing Co., Philadelphia, addressing 3,000 envelopes		12.00
Press-clipping service		20.00
Adams Express Co., Philadelphia, expressage prepaid on 5 sets of envelopes in which to mail various bulletins sent to J. F. Welborn, Denver		26.06
Postage	\$3.80	
Stationery	4.85	
		8.65
Mr. Lewis S. Bigelow, special work in Colorado, traveling expenses		391.47
Mr. Ivy L. Lee, traveling expenses to July 14		29.00
Mr. Robert H. Kirk, classifying and making ready to answer clippings containing erroneous information regarding the Colorado situation		50.00
Total		2,468.29

## MEMORANDUM OF EXPENSES, JULY 15 TO JULY 31, 1914, INCLUSIVE.

## STATEMENT A-2.

## Beck Engraving Co., Philadelphia:

Printing 12,500 Bulletin No. 5	\$108.50	
Express charges prepaid	20.06	
		\$128.56
Printing 12,500 Bulletin No. 6	68.50	
Express charges prepaid	15.82	
		84.32
Printing 15,000 Bulletin No. 7 and 30 single sheets	139.50	
Express charges prepaid	21.09	
		160.59
Printing 23,000 Bulletin No. 8	136.50	
Express charges prepaid	26.64	
		163.14
Printing 15,000 Bulletin No. 9	115.50	
Printing 22,500 single sheets	28.50	
Express charges prepaid	34.97	
		178.97
Printing 1,250 each additional of Bulletins Nos. 1 to 6, inclusive, and 2,500 single sheets	76.50	
Express charges prepaid	6.12	
		82.62
Express charges on 400 each of Bulletins Nos. 1 and 2		2.53
3,000 sheets paper for pasting clippings and making carbon copies of letters		2.75
Printing 18,500 Bulletin No. 10	\$138.50	
Express charges prepaid	34.77	
		173.27
Printing 37,000 single sheets		49.00
		\$1,025.77

## Howe Addressing Co., Philadelphia:

## For Bulletin No. 5—

Furnishing 7,075 1¢ stamped envelopes	\$77. 83	
Furnishing 3,796 2¢ stamped envelopes	79. 72	
		\$157. 55
Addressing 10,871 envelopes		9. 79

167. 34

## For Bulletin No. 8—

Furnishing 7,601 1¢ stamped envelopes	\$83. 61	
Furnishing 3,830 2¢ stamped envelopes	80. 43	
		164. 04
Addressing 11,431 envelopes	10. 29	
Printing 11,431 envelopes	11. 43	
		21. 72

## For Bulletin No. 9—

Furnishing 7,601 1¢ stamped envelopes	83. 61	
Furnishing 3,830 2¢ stamped envelopes	80. 43	
		164. 04
Printing 11,431 envelopes	11. 43	
Addressing 11,431 envelopes	10. 29	
		21. 72

## Special list sent Bulletin No. 8—

Furnishing 9,257 stampd envelopes		101. 83
Printing 9,257 envelopes	\$9. 26	
Addressing 9,257 envelopes	16. 20	
		25. 46

## Special list to receive O. U. M. pamphlet—

Furnishing 9,703 1¢ stamped envelopes	112. 17	
Furnishing 3,877 2¢ stamped envelopes	83. 59	
		195. 76
Printing 6,830 envelopes	6. 83	
Addressing 13,580 envelopes from Who's Who	12. 23	
		19. 06

## For Bulletin No. 10—

Furnishing 3,876 2¢ stamped envelopes	81. 40	
Furnishing 12,703 1¢ stamped envelopes	139. 74	
		221. 14
Printing 16,579 envelopes	16. 58	
Addressing 16,579 envelopes	14. 92	
		31. 50

## For card index—

Furnishing 681 cards	. 62	
Addressing 681 cards	. 61	
		1. 23
Cutting 681 additional address stencils		9. 54

## For Bulletin No. 11—

Printing 19,078 envelopes	\$19. 08	
Addressing 19,078 envelopes	17. 17	
		36. 25
Furnishing 3,875 2¢ stamped envelopes	81. 38	
Furnishing 15,203 1¢ stamped envelopes	167. 24	
		248. 62

\$1, 429. 25

O. K. Addressing Co., Philadelphia, typing 74 pages of material written by Mr. L. S. Bigelow

18. 50

## Miscellaneous expenses incurred by this office:

Expressage, account various shipments to Denver	\$44. 64	
Stationery	16. 34	
Postage	6. 56	
Miscellaneous	6. 62	
		74. 16

Total 2, 547. 68



## 8886 REPORT OF COMMISSION ON INDUSTRIAL RELATIONS.

MEMORANDUM OF EXPENSES AUG. 1 TO 31, 1914, INCLUSIVE.

## STATEMENT A-3.

## Beck Engraving Co., Philadelphia:

Printing 3,000 letterheads, supplying that number blank envelopes, and 2,000 second sheets-----	\$23. 75	
Printing 57,000 single sheets-----	\$59. 00	
Express charges prepaid-----	25. 69	
		84. 69
Printing 500 additional Bulletin 10-----	8. 50	
Express charges prepaid-----	1. 22	
		9. 72
Printing 36,500 Bulletin No. 14-----	198. 00	
Express charges prepaid-----	53. 69	
		251. 69
		\$369. 85
Corlies, Macy & Co. (Inc.), New York:		
Printing 21,500 Bulletin No. 11-----	278. 00	
Printing 24,500 Bulletin No. 12-----	147. 00	
Printing 34,500 Bulletin No. 13-----	210. 00	
		635. 00

## Howe Addressing Co., Philadelphia:

For Bulletin 12—		
Printing and addressing 22,078 envelopes..	\$41. 95	
Furnishing 18,203 1¢ and 3,875 2¢ envelopes..	281. 62	
		323. 57
Special list of 209 names supplied by Mr. Welborn-----	2. 80	
For Bulletin No. 13—		
Printing and addressing 32,031 envelopes..	\$60. 86	
Furnishing 28,070 1¢ and 3,961 2¢ envelopes..	391. 96	
		452. 82
For Bulletin No. 14—		
Printing and addressing 35,379 envelopes..	\$67. 22	
Furnishing 30,916 1¢ and 4,463 2¢ envelopes..	433. 81	
		501. 03
Cutting 19,616 additional stencils of addresses supplied..	274. 63	
		1, 554. 85
Press-clipping services-----		19. 27
Mr. Ivy L. Lee, traveling expenses, trip to Colorado, Aug. 6 to 30----		280. 00
Mr. L. S. Bigelow:		
Expenses from July 15 to date-----	\$10. 00	
Payment for services, trip to Colorado-----	400. 00	
		410. 00

## Clerk hire:

Clarence S. Bulley—		
19 days in July at \$125 per month-----	\$76. 61	
Month of August-----	125. 00	
		201. 61
Walter T. Pollock—		
5 days in July at \$75 per month-----	12. 10	
Month of August-----	75. 00	
		87. 10
		288. 71

## Miscellaneous expenses incurred by this office:

Expressage, account various shipments to Denver-----	37. 88	
Stationery-----	5. 30	
Postage-----	10. 47	
Rental of 2 typewriters 1 month, from 7/16 to 8/16, at \$3--	6. 00	
Miscellaneous-----	4. 90	
		64. 55
Total-----		3, 632. 23

## MEMORANDUM OF EXPENSES, SEPT. 1 TO 15, 1914.

## STATEMENT A-4.

## Howe Addressing Co., Philadelphia :

For Bulletin No. 15, printing and addressing 35,533 1¢ and 2¢ stamped envelopes-----	\$67. 52	
Furnishing 4,609 2¢ and 30,924 1¢ stamped en- velopes -----	436. 96	\$504. 48
Furnishing cards for card index of mailing lists and arranging and compiling 15,907 address stencils-----	76. 86	
Furnishing additional cards, addressing, numbering com- piling, etc-----	346. 89	
Furnishing additional address stencils, cards, arranging ing same, and making 290 changes, discontinuances, etc -----	70. 73	\$998. 96

## Hon. George J. Kindel :

30,000 speeches of, distributed by-----	122. 00	
Addressing 25,000 envelopes from Who's Who in America -----	37. 50	
Copy of Who's Who in America-----	5. 25	164. 75

## Press-clipping services-----

American Express Co., 5 shipments from Philadelphia to Denver----- 22. 93

Rental of 2 typewriters: Rental for month of Aug. 16 to Sept. 16  
of L. C. Smith typewriter, \$3, and for month Aug. 28 to Sept. 28 of  
Remington typewriter, \$3----- 6. 00

## Miscellaneous expenses incurred by this office :

Expressage-----	\$0. 27	
Stationery-----	. 65	
Postage-----	1. 51	
Miscellaneous-----	. 75	3. 18

Total-----		1, 202. 66
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## MEMORANDUM OF EXPENSES, SEPT. 16 TO 30, 1914.

## STATEMENT A-5.

## Beck Engraving Co., Philadelphia :

Printing 500 copies of Bulletin No. 2-----	\$10. 50	
Printing 37,500 Bulletin No. 15 and 36,500 single sheets-----	\$237. 00	
Express charges-----	70. 99	307. 99
Printing 200 corrected copies third page of Mr. Wel- born's letter to President-----	12. 75	\$331. 24

## Howe Addressing Co., Philadelphia :

Addressing 36,175 envelopes from stencils, for use in sending out bound volume of leaflets 1 to 15-----	32. 56	
Cutting additional stencils, furnishing cards for index--	28. 64	61. 20

Mr. Ivy L. Lee, traveling expenses, trip to Colorado, Sept. 12 to 20---		110. 00
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## Miscellaneous expenses incurred by this office :

Expressage-----	\$0. 90	
Stationery-----	4. 40	
Postage-----	6. 53	
Miscellaneous-----	18. 65	
Rental of 2 typewriters-----	6. 00	36. 48

538. 92



## Deduct:

Account duplication in traveling expenses of L. S. Bigelow (account A-1), an item of carfare from Philadelphia to Denver---	57.60
Total -----	481.32

## MEMORANDUM OF EXPENSES FOR MONTH OF OCTOBER, 1914.

## STATEMENT A-6.

## Beck Engraving Co., Philadelphia:

Printing 38,000 copies of Facts Concerning the Struggle in Colorado—Series I-----	\$1,775.00
Express charges to Denver, 9/26/14-----	137.42
Express charges to Denver, 9/29/14-----	134.31
	<u>\$2,046.73</u>
Making and printing 38,000 envelopes in which to mail Facts-----	135.00
Express charges to Denver-----	123.66
	<u>258.66</u>
Express shipments to Denver of additional lots of Facts, as follows:	
9/30/14-----	130.75
10/1/14-----	147.91
10/29/14-----	19.37
10/31/14-----	18.54
	<u>316.57</u>
	<u>\$2,621.96</u>
Postal Telegraph Cable Co., Philadelphia, messages during June, July, and August-----	3.66
Western Union Telegraph Co., Philadelphia, messages during June, July, and August-----	23.17
	<u>26.83</u>
American Express Co., Philadelphia, various shipments of individual bulletins to Denver during August and September-----	48.65
Subscriptions to press-clipping agencies for clippings regarding Colorado-----	61.30
Other miscellaneous expenses incurred by this office:	
Express account on various small shipments-----	\$1.33
Stationery-----	1.35
Postage-----	4.17
Miscellaneous-----	11.35
	<u>18.20</u>
Total -----	2,776.94

## MEMORANDUM OF EXPENSES FOR MONTHS OF NOVEMBER AND DECEMBER, 1914.

## STATEMENT A-7.

## Beck Engraving Co., Philadelphia:

4,000 sheets of paper for pasting clippings and for carbon copies of letters-----	\$4.50
Printing 36,600 white envelopes for Bulletin 1 (II)-----	42.75
Printing 80,475 white envelopes for Bulletins 2 and 3 (II)---	92.50
Printing 39,000 white envelopes for Bulletin 4 (II)-----	46.00
Express charges on 500 additional copies of Facts sent to Colorado-----	10.16
	<u>\$195.91</u>

## Howe Addressing Co., Philadelphia:

Furnishing and cutting 1,328 new stencils for address list-----	\$18.59
Making 141 changes in list-----	1.98
Furnishing 2,556 cards for record-----	2.39
Addressing 2,556 cards for record-----	2.39
Numbering cards-----	.66
Compiling same-----	3.99
	<u>30.00</u>

**Howe Addressing Co., Philadelphia—Continued.**

Addressing 37,363 envelopes for Bulletin 1 (II)-----	\$33. 63	
Marking boxes, packing, and expressage to Denver--	16. 70	
		\$50. 33
Same service, account 37,467 envelopes for Bulletin 2 (II) --	52. 90	
Same service, account 38,183 envelopes for Bulletin 3-----	53. 84	
Furnishing and cutting 583 new stencils-----	\$8. 16	
Making 42 changes in list-----	. 59	
Furnishing 1,152 cards-----	1. 04	
Addressing 1,152 cards-----	1. 04	
Numbering cards-----	. 29	
Compiling cards-----	1. 73	
		12. 85
Addressing 37,892 envelopes for Bulletin 3 (II) and express-		
age-----	53. 34	
		\$253. 26
Subscriptions to press-clipping agencies for October and November		
clippings regarding Colorado-----	78. 84	
Total-----		528. 01
<b>Other miscellaneous expenses incurred by this office:</b>		
Telephone calls-----	4. 70	
Postage-----	8. 28	
Stationery-----	3. 30	
Expressage-----	5. 19	
Miscellaneous-----	3. 05	
		24. 52
Telegraph service, September, October, and November		34. 06
Typewriter rentals—		
To Nov. 18-----	6. 00	
To Dec. 18-----	6. 00	
		12. 00
		70. 58
Total-----		598. 59

**SUPPLEMENTAL STATEMENT, FEB. 1, 1915.****Expense for telegrams during December, 1914:**

Western Union-----	\$25. 03	
Messenger service-----	. 25	
		\$25. 28
Postal Telegraph-----	48. 31	
		\$73. 59

**SUPPLEMENTAL STATEMENT MAR. 31, 1915.**

American Ice Co., Philadelphia, Pa., ice furnished for month of December--	\$1. 30
L. C. Smith & Bros., rental of typewriter to Dec. 31-----	1. 50

JUNE 10, 1914.

Mr. J. F. WELBORN,  
*President Colorado Fuel & Iron Co.,*  
*Denver, Colo.*

MY DEAR SIR: Would it be possible to give me a summary of the strike situation in Colorado, covering the following points:

Number of mines in operation before September 23; number in operation to-day; amount of coal produced before that date; amount after (average per month); number of men employed before and number to-day; number of men who went out on strike; number who have returned.

Could you also give me an analysis of the inclosed newspaper article and let me know to what extent it is correct?

I am eager to get out to the press an article showing, in the first place, that the companies are now mining all the coal that the market can absorb, and, secondly, that there has been no ruthless destruction of life by either the mine guards or the militia.



As you are doubtless aware, one of the most serious ideas with which we have to contend in this whole matter is that the operators in Colorado have been killing women and children. We ought to meet that proposition quite specifically.

Of course, I shall be only too happy to have your advice as to how any of this data should be treated.

Very truly, yours,

IVY L. LEE.

JULY 1, 1914.

DEAR MR. ROCKEFELLER: I have your letter of June 27 and shall take pleasure in placing upon our mailing list the names you suggest.

The sermon of Dr. Hillis I am delighted to have and shall want to make use of it.

I have had two long interviews with Mr. Harry Wheeler and his friends with reference to the publication they have in mind. I am to see another gentleman on the subject in Philadelphia this afternoon and am to have another interview relating to it in New York possibly on Friday. I shall have occasion to report on this subject, I trust, within the next week or so.

Mr. Bigelow has returned from Colorado and is now putting his material into shape. The preparation and issuance of the bulletins is going right along. We have also had the scrapbooks gone over and will in a day or two have the preparation of the proposed letters under way.

You doubtless saw the announcement we made Saturday relating to the Rockefeller Institute. I inclose a copy of it for your information, together with a number of newspaper clippings showing the way in which it was handled. You need not take the trouble to return these.

I had a long talk with Dr. Buttrick and Mr. Flexner yesterday, and we are planning to make an appropriate announcement next Monday regarding the transfer of the money to Johns Hopkins University. I am making a study of the work of the General Education Board, as well as that of the Rockefeller Institute, and will no doubt be able to formulate, a little later, more detailed plans for continued publicity for the institute.

From the inclosed telegram received from Mr. Welborn it would appear that he is finding some special use for the bulletins in his own territory. I am sending you to-day by parcel post 50 copies of Bulletin No. 4.

Very truly, yours,

IVY L. LEE.

MR. JOHN D. ROCKEFELLER, Jr.,  
Seal Harbor, Me.

[Copy of telegram.]

DENVER, COLO., June 30, 1915,

IVY L. LEE,

Broad Street Station, Philadelphia, Pa.

If you have them, please send me 500 extra copies Bulletin No. 1 without envelopes.

J. F. WELBORN.

JULY 2, 1914.

MR. IVY L. LEE,

Broad Street Station, Philadelphia, Pa.

DEAR SIR: I am sure it will be of interest to you to know that we have had requests from some chambers of commerce and other bodies for extra copies of the bulletins you are sending out.

We are taking care of these requests from the stock of bulletins that you have sent to me.

Yours, very truly,

J. F. WELBORN.

JULY 3, 1914.

MR. IVY L. LEE,

Broad Street Station, Philadelphia, Pa.

DEAR SIR: I am in receipt of yours of the 30th ultimo, and have also received to-day copies of your Bulletin No. 4, which will go out on July 6. In accord-

ance with your suggestion, we will see that copies of these reach the Denver papers.

I am very much pleased with the manner in which you are handling our subject, and sincerely hope that we will have the pleasure of seeing you here in the near future.

Yours, very truly,

J. F. WELBORN.

JULY 14, 1914.

MY DEAR SIR: My attention has been called to the news item and the editorial in the St. Louis Star of July 6, regarding the Rockefeller Institute and my father's recent gifts to it. Since I had the privilege of participating in the organization of this institute and have been associated ever since with its management, such intelligent appreciation of the institute, what it has accomplished, and the possibilities which lie before it, as the article referred to evinces, leads me to write this personal word of thanks.

Some time when you are in New York if you should be interested to visit the institute, it would give me great pleasure to so arrange.

Very sincerely,

JOHN D. ROCKEFELLER, Jr.

MR. EDWARD S. LEWIS,  
*Editor St. Louis Star, St. Louis Mo.*

JULY 15, 1914.

DEAR MR. LEE: I am sending you herewith proof sheets of Elbert Hubbard's article on the Colorado situation, written for the Fra.

I learned through Mr. Welborn that some Colorado man had agreed in advance to buy a certain number of copies of the article for distribution. Do you think it of sufficient value to be used as one of your bulletins, should Mr. Hubbard so consent.

The article need not be returned.

Very truly,

JOHN D. ROCKEFELLER, Jr.

MR. IVY LEE,  
*The Pennsylvania Railroad Co.,  
Broad Street Station, Philadelphia.*

JULY 20, 1914.

DEAR MR. LEE: I am in receipt of your two letters of July 17, with their inclosures. I have read the bulletin which the Pennsylvania Railroad issues to its employees and a certain section of the public with much interest. Will you be good enough to send a set of those issued for employees to Mr. Welborn, raising the question with him, on my behalf, as to whether the fuel company might not wisely send bulletins in the several languages to all of its employees, stating clearly certain facts with reference to the relation of the officers and their employees, the relation of the owners to the properties, and other matters which would tend to bring about better understanding between the officers and the men. We are told, for instance, that many of the foreign employees are informed by the agitators that the mines rightly belong to the laborers, and that the owners are setting up unjust claims to them. To present in a simple way the facts like this to all the employees would be valuable. These bulletins could be distributed monthly with the pay envelopes or in some other way. I should be glad to have Mr. Welborn give the idea consideration, and when you go west you could discuss it with him more fully.

I note your proposed letter from Mr. Welborn to certain editors. Should not all of these editors receive these bulletins currently?

I inclose a copy of Jim Jam Jems for July; there is much of value and interest in the article therein contained on Colorado. Please send it to the office for filing when you have finished with it.

Very truly,

JOHN D. ROCKEFELLER, Jr.

MR. IVY LEE,  
*Broad Street Station, Philadelphia, Pa.*



JULY 21, 1914.

DEAR MR. LEE: I inclose herewith a correspondence which I have had with Mr. Brisbane, including my letter to him which called it forth. I was surprised to learn that Mr. Brisbane favors Government ownership. Please return this correspondence when you have read it.

I also inclose a letter from Mr. Brisbane of July 16, with certain data attached. I do not desire to write anything for publication with reference to Government ownership myself. Do you think this a good opportunity for us, in reply to Mr. Brisbane's inquiry, to undertake to get him to publish some statements regarding the Colorado situation, utter ignorance of, or, rather, willful disregard of, facts in which situation underlies the address of Mr. Pinchot and the printed resolution herewith? Has the time come for us to try to get the papers to publish a statement pointing out the inopportune and folly of an effort like that made by this meeting to pass on the question of rights in the Colorado controversy? It may be inexpedient to do anything but other than for me to courteously decline Mr. Brisbane's invitation to reply. I will say nothing to him, however, until after hearing from you. Would it not be wise to send bulletins to the representative men on the list whose names are printed at the beginning of the resolutions, such as Dr. Moskowitz, Rabbi Wise, John Murphy, and Calvin Tompkins; perhaps others?

I am writing to Mr. Malone, whom I know, asking about his relations to the meeting, and will send him the bulletins. Please return Mr. Brisbane's letter, with the inclosures, at your early convenience. If you think it desirable to have copies made before returning them, I see no objections.

Very truly,

JOHN D. ROCKEFELLER, Jr.

MR. IVY LEE,  
*Philadelphia, Pa.*

MAY 27, 1914.

HON. THOMAS S. MARTIN,  
*The Benedict, Washington, D. C.*

DEAR SIR: I notice from the Associated Press account that there has been introduced a measure in the United States Senate depriving the South of the services of the General Education Board in respect to farm demonstration work; also another measure has been introduced endeavoring to revoke the charter of the General Education Board.

I have been most intimately connected with the work of the General Education Board in the South for the past 10 years, and I wish to bear testimony that no organization, no individual, has done as much for the building up of our higher education, of our secondary school systems, for the improvement of rural education, for the wonderful advancement of improved methods of agriculture in the South as has this organization and its representatives.

Many of them are southern men, and I wish to assert, without fear of successful contradiction, that they have worked through our southern people exclusively, have not even imposed their own suggestions, except when requested to do so, and have left it to the wisdom and good sense of our good people to spend for social uplift any donations made.

Furthermore, there have been literally thousands of boys and girls in the Boys' Corn Clubs and the Girls' Canning Clubs whose lives have been made richer, whose earning capacity has been increased, whose outlook upon their own futures has become more thrilling because of the work carried on by the southern people, whose salaries have been paid and whose traveling expenses have been furnished by the General Education Board. The southern representatives of this board created our high-school systems.

No greater calamity could happen to the educational interests of the South and the 148,000 teachers engaged therein than the revoking of the charter of the General Education Board. It will be a great calamity if these men should be divorced from the farm demonstration work, which they inaugurated on their own free will and accord, without the assistance (and sometimes without the encouragement) of the Government. Their accumulated experience can not be duplicated by others. Their personal interest in our people is a matter of tender regard.

Every man and woman in the South and every representative of the best interests of our people owes a debt of deep gratitude and sincere appreciation to the General Education Board and its representatives. Whatever is done in this matter should be done in a spirit of gratitude. But I hope that nothing

will be done that will deprive the 8,000,000 children of the South, the citizens of to-morrow, of the services of these men who have given so much of their lives and of their time.

I beg, therefore, to urge upon you, in representing us, the grateful beneficiaries of the first and greatest and most liberal philanthropical organization in America, not to interfere with their endeavors, for in so doing you will throw the most appalling hindrance before us who are fighting on the firing line for the economic, intellectual, and moral freedom of the South.

Sincerely yours,

BRUCE R. PAYNE.

26 BROADWAY,  
New York, May 12, 1915.

MR. LEWIS K. BROWN,  
*Secretary U. S. Commission on Industrial Relations.*  
*Hotel Shoreham, Washington, D. C.*

DEAR SIR: The delay in sending you the material asked for in your letter of April 24 has been due to the fact that some of the data requested is not available in our office and I have been trying to locate it. You will appreciate that, having moved from Philadelphia to New York the 1st of January last and not having anticipated that any such request as yours would be made, I had not made any effort to have the material filed with care. We have, however, made a diligent search to obtain all the information requested, and I am sending you herewith the following, as requested by you:

Letter of June 10 to Mr. Welborn, referred to in my letter to Mr. Rockefeller of the same date; letters to various Senators and Congressmen in regard to Senator Kenyon's bill, including copy of a letter from Dr. Albert Shaw; letter of July 1 to Mr. Rockefeller, as well as a copy of Mr. Welborn's telegram, therein referred to; two letters from Mr. Welborn, referred to in my letter of July 16; Mr. Rockefeller's letter to the St. Louis Star; Mr. Rockefeller's letter to me, dated July 15; also his letters of July 20 and 21 to me.

For the reason that I have not been able to find them, I am not sending you:

Letter from Mr. Murphy to Mr. Rockefeller, referred to in my letter of June 29 to him; "telegram of Saturday" from Mr. Rockefeller to me, referred to in my letter of June 29 to him; memorandum from Mr. Brown which Mr. Rockefeller sent me with his letter of June 30; my "letter to President Eliot, referred to in Mr. Rockefeller's letter of July 8."

I presume the letter of Mr. Murphy to Mr. Rockefeller referred to the letter from Mr. Galt, but I have no clear recollection on that subject. As to the memorandum from Mr. Brown to Mr. Rockefeller, that also has been lost. Personally, I do not recall the exact nature of the memorandum. There was no letter written to President Eliot, as you suggest. You have probably misinterpreted the correspondence.

The letters listed below are not inclosed. Though their subject matter is not such as would have any objections to giving the commission full information about, they are private letters from individuals not associated with us in business or in any of the companies with which we are related. Their letters dealt in the main with matters concerning which these people would feel entirely free to write to us in the confidence of private correspondence. It would not be fair to them, therefore, to make their letters public without their permission. I feel, therefore, that the commission will appreciate the delicacy of our position in this matter and, under the circumstances, I hope the commission will not press its request that we should submit these letters to become a part of the record in this case. The letters to which I refer are as follows:

"Information from Mr. Easley," referred to in my letter of June 13 to Mr. Rockefeller; two letters from Mr. Harry A. Wheeler, mentioned in Mr. Rockefeller's letter of June 18; letter from Mr. Galt, referred to in my letter of June 19; letter from Congressman Kindel to me, referred to in my letter of July 20; correspondence with Mr. Brisbane, referred to in my letter to Mr. Rockefeller under date of July 24.

Assuring you of our desire to do everything we can to assist the commission in carrying out the work for which it was created, I am,

Yours, very truly,

IVY L. LEE.

P. S.—The attached are copies of the original documents, which latter, if desired, may be examined here at your pleasure.

I. L. L.



MAY 28, 1914.

Senator ROBERT M. LA FOLLETTE,  
*Washington, D. C.*

MY DEAR SENATOR LA FOLLETTE: Of course, you know that, although I have been in Washington much of the time for several years, I have kept entirely out of anything which looked like political activity strictly because my work has been scientific or technical, and I feel I could do much better by not interfering in any way with anything that even approached political considerations. Although I have watched the papers with interest and have also watched the Congressional Record, I have intended to refrain from writing on the subject now in mind, but after thinking the matter over, and particularly in view of the fact that I have now moved away from Washington, I decided it was proper for me to write this letter. I am writing to you principally because of your very close political relations with Senator Kenyon of Iowa, as well as others who have taken an interest in the subject which I am about to mention. I have in mind the activities in the past of the General Education Board, which, as you know, has received amounts of money from Mr. Rockefeller. I have in the past felt about the same as you have, so far as big business organizations are concerned. Indeed, I have on thousands of occasions spoken very vigorously and written in the same way with reference to the position you have taken. I believe, however, that, inasmuch as we have allowed such accumulations of wealth as we have, we can not now to any material advantage prohibit the expenditure of such accumulations of wealth, especially when this wealth is expended to such a good purpose as it is in the case of the moneys turned over to the General Education Board.

Of course you know much better than practically any other representative of the people in Congress that throughout the last century it has been left for private citizens or individuals in a more or less private way to start practically all of the new and beneficial movements which we are now interested in. Even the kindergarten in this country was launched by philanthropists in a large number of private nurseries before it was taken up by the public schools. You know of the magnificent work which has been done with funds of that organization in connection with the cooperative demonstration work in the Southern States carried on through the late Mr. Knapp.

I thoroughly agree with all who are in favor of having the National Government now take over that work. It has reached a point where it has thoroughly proved its efficiency and desirability. It is a line of activity for a National Government to finance. I hope that the National Government will appropriate the necessary amount of money to take care of it, but I must confess that in taking over this work and making the appropriation I think it shows very great lack of appreciation when the very body which has demonstrated this wonderful system should be condemned. The General Education Board should rather be given a written vote of thanks by Congress, and they should be wished Godspeed in the use of the money which they have now saved. In this source they should be publicly asked to use this money to try out new possible movements for the general benefit of humanity. The principal reason, indeed, that I would be in favor of having Congress take over this extensive demonstration work is that this will leave a large amount of money available for other purposes. I believe it would be a very unfortunate thing for Congress to go further than take over this work. It has come to me from various directions that there are some who think it would be wise to take away the charter from the General Education Board. I must confess that I can see only one reason for this step, and that is a desire to have some political effect, and I must say I do not believe it to be the act of the statesman, but rather of the politician seeking some way to stir up support from a class who are unable to understand the importance of economic and political movements.

I am speaking my mind thus freely to you because I feel sure you have personally looked into this matter very carefully. If you agree with the position I take I hope you will use your influence with such Senators as Senator Kenyon and others who may have taken a different position. I feel rather confident that they have taken the position before having looked into the entire subject and without appreciating the great value to this country of ours of an organization, such as the General Education Board, which can start such movements as, for instance, the cooperative demonstration work.

Assuring you of my very great admiration for the extraordinary work which you have been doing ever since I heard your name, and ever since my years at Wisconsin University, I am,

Very sincerely, yours,

JOHN LEE COULTER.

MAY 29, 1914.

Mr. B. W. HUNT, *Eatonton, Ga.*

DEAR MR. HUNT: The newspapers have been filled recently with severe criticisms of the General Education Board and all those responsible for its activities. I have seen the interview with Senator Kenyon in a recent Washington paper accusing in very bitter terms Mr. Rockefeller, and others like him, of trying to set up a silent empire, an invisible government, through gifts to education. I have no doubt that there is a good deal of astute Republican shrewdness in the attacks now being made in Congress. I think you know that the General Education Board has undoubtedly done great work in the South, and has done it in a broadly philanthropic way that ought not to provoke even criticism, to say nothing of the vengeance that seems aimed at it now by some members of our National Congress.

Is it possible that these charges are being made for the purpose of frightening the Democrats into sitting quiet instead of coming to the defense of a genuinely useful and unselfish board, for fear that they will be accused of coming to the defense of the money devil? It seems rather clear to me, from what I gather at this distance, that the Democrats are feeling themselves pretty severely clubbed and are very much bewildered over how to prevent the unjust measures proposed. As a citizen and as an educator who has known the work of the General Education Board in the South, I wish to urge upon you to throw your weight on the side of equity and fairness.

Everybody knows the immense advantage which has come from the farm demonstration work in the South. This was inaugurated by Dr. Knapp and paid for by the General Education Board. The large sums which this board has put into the demonstration work have done more good than almost any sums that could be mentioned. Of course, if the Government wishes to put more money into this work or to take it over entirely, there is no reason why this should not be done. But there is every reason why the Government should thank the General Education Board for starting such a tremendously important undertaking, for putting so much of its far-reaching wisdom and money into it, and for demonstrating so triumphantly its great value to southern farmers.

You doubtless know that this value has been so completely demonstrated that now all parts of the country are clamoring to have similar methods extended over the United States. I hope, therefore, if you agree with my views as expressed above, that you will write to all the Congressmen and Senators with whom you have influence and urge upon them to take a firm stand against any injustice. And I hope you will express your views as to make it impossible for any ungenerous vengeance to be wreaked upon the General Education Board, when this board has been a true benefactor to our section.

With high esteem, I beg to remain,

Yours, sincerely,

CHARLES E. LITTLE,  
*Nashville, Tenn.*

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COMMITTEE ON AGRICULTURE,  
HOUSE OF REPRESENTATIVES, UNITED STATES,  
*Washington, D. C.*

DR. WALLACE BUTTRICK,  
*17 Battery Place, New York.*

DEAR DR. BUTTRICK: I have seen Representative Lee and some other Congressmen relative to the proviso in the Agricultural bill. They all agree to aid in striking it out. Mr. Lever was not in town, so I wrote him a letter, a copy of which I inclose. I leave to-night for Birmingham.

Sincerely, yours,

SYDNEY J. BOWIE.

MAY 30, 1914.

HON. A. F. LEVER,  
*House of Representatives.*

MY DEAR LEVER: I called to see you this morning and was much disappointed to know that you would probably not be in your office to-day. I go out this afternoon on the Birmingham special, and I am availing myself of this opportunity to write to you in regard to a matter which has doubtless already been



called to your attention. In the Senate the usual appropriation for farm demonstration work was increased by the sum of \$250,000 and a proviso was added as follows: "That no part of this sum of \$678,240 shall be used in connection with any money contributed or tendered by the General Education Board or any like organization." As you are no doubt well aware, the General Education Board has already expended in the Southern States for work of this kind almost a million dollars. This has been used as a supplement to the funds annually appropriated by Congress. Every dollar that has gone into the Boys' Corn Club and Girls' Tomato and Canning Club work has come from this fund. It has been expended by the Department of Agriculture, which has employed and dealt exclusively with the men in the field. The only connection the General Education Board has had with it has been to contribute a stated sum annually.

The idea must be of the amendment that in some occult and hidden manner the General Education Board, and through them Mr. Rockefeller, will acquire a dangerous hold upon the minds of the people. This idea seems so far-fetched and so absurd that I hesitate to attribute any such belief to any intelligent person, and yet I have been told that some Senators probably were influenced to vote for it in the fear that some such thing might happen. If the true basis of it is not in the fear that it will happen but the fear that the people might think it would happen, I must insist that this is an unnecessary and undeserved reflection on the intelligence of the people. We have educated constituencies in the South and they are far beyond small demagoguery of that kind, at least the far majority of them are. I have always found that any man of clean mind and honest purpose would fare better and last longer at the hands of the people than the average demagogue. In fact, I have never known a pure demagogue to last long under any circumstances anywhere. The truth is that this farm demonstration work under the leadership of the Department of Agriculture and aided by the General Education Board has been of very great value to the farming interests of the Southern States, and I do not think it just or fair to impute unjust and improper motives to the private donors of this fund. I do not believe Mr. Rockefeller could have put the money to a better use than to have given it to the General Education Board, and I do not know how the board could have put it to a better use than in this work in collaboration with the Department of Agriculture. About one-half of the entire income of the board is spent in the South, the remainder being spent in the North and West. Instead of giving unnecessary offense to these people by the insertion of a provision of this character, it seems to me that we should rather commend this use of the money than otherwise. It is not necessary, however, for Congress to say anything about it. If Congress wants to take over the entire work, let it do so, but let it not at the same time take an unnecessary slap at a most worthy and deserving act which has been of untold benefit to our southern people. In other words, it seems to me that the conference committee, even if it consented to increase the appropriation, should at least strike out the words which I have quoted in the opening paragraph of this letter.

The fact is that I do not think there can be any valid objection to governmental bodies cooperating with private individuals in charitable or semi-charitable work. While we usually do not denominate this as charity yet it is a matter of public service, and a like principle should, and I believe does, obtain. I do not believe, therefore, that any harm has or could have come through governmental authorities handling and using this money in the manner pursued by them. At the same time if the Government thinks it ought to take over the work, let it do so, but it surely is not necessary to insert a provision in a public act under circumstances of this kind. I believe that far from our people approving such a provision, those of them who are informed upon the subject would rather resent it as being an unjust slap at men who have done a worthy deed and who should be commended rather than censured therefor. If it is thought desirable to discontinue the acceptance of similar contributions in the future, the department can be tipped off as to the will of Congress without unnecessarily putting it into the act.

I am very sorry I could not see you, as I would have been very glad to have talked with you of other matters and of other times.

With best wishes and highest regards personally, I am,

Sincerely,

SYDNEY J. BOWIE.

BIRMINGHAM, ALA., June 4, 1914.

Hon. OSCAR W. UNDERWOOD,  
Washington, D. C.

DEAR OSCAR: I am inclosing you copy of letter which I have written to Congressman Lever, which explains itself.

Further explaining the matter, I will say that the General Education Board having expended with the Government's knowledge and consent and through its own agencies practically a million dollars in this work, and the work having been of untold benefit to the farmers of the South, it seems to me that if the Government intends to discontinue accepting future gifts for political reasons it might at least say nothing about it. There is no necessity for adding insult to injury by the implied reflection which is contained in the proviso quoted in my letter to Lever. You know I can not think that our party has anything to gain by cheap peanut politics of that kind. Mr. Rockefeller has given about \$43,000,000 to the General Education Board. He really wanted to give a great deal more. About half of the income from this large sum has been annually appropriated in the South. They never give a dollar unless the community will give from \$3 to \$5. They have therefore immensely stimulated the work of giving to colleges throughout the country, and in no instance have they ever sought in any way to influence the political thought of these colleges. The whole idea that they could do so is preposterous under the circumstances. Mr. Rockefeller is simply trying to have his money given to the best advantage, and it is a spirit which needs commendation. It seems to me that this is a matter entirely beyond cheap politics, and if we can not express appreciation of gifts received under circumstances of this kind we should at least forego public criticism. At all events, the thousands and hundreds of thousand of southern farmers who have been benefited by the Boys' Corn Clubs and the Girls' Tomato and Canning Clubs and by the demonstration farms would, I believe, resent it if it was generally known that Congress had inserted such a provision in the bill. Congress undoubtedly has the right to take the whole work over, but they might at least stop at that. I wish you would speak to the conferees and see if they would not agree to drop out the proviso quoted in my letter to Lever. Sincerely,

Your friend,

SYDNEY J. BOWIE.

MAY 5, 1914.

DEAR SENATOR KENYON: Thank you very much for your letter. I wish that I might long ago have had a full talk with you about the General Education Board from every standpoint. I could have told you many things that it seems to me it is proper for you to understand in view of the fact that you are now put in the position throughout the United States of making attacks upon this board and of intimating that its gifts to educational objects have not been made wisely or with good motives.

I had long ago become interested in the great need of the South for educational advancement in all directions, and had therefore attended the earliest of the now famous yearly conferences on education in the South. Out of those early conferences grew the Southern Education Board, of which the late Robert C. Ogden, of New York, and the late Hon. J. L. M. Curry, for many years the chief agent of the Peabody Fund in the South, were the most conspicuous founders. Mr. Ogden remained president of this board until his death last year. I was made a member of the board at the beginning and am still one of its members. I have never been associated with a more able, a more unselfish, or a more statesmanlike group of educational leaders than the men who have belonged to the Southern Education Board.

The work of this board obtained the recognition and support of various men who were interested in the cause of education, and among them, in particular, was Mr. Rockefeller, who had for a long time been a large supporter of various schools and educational enterprises in the South. Among the most active members of the Southern Education Board were the late William H. Baldwin (president of the Long Island Railroad), who had lived for years in the South as a railroad official; Mr. George Foster Peabody, who had originally come to New York from Georgia; Mr. Walter Page, originally from North Carolina; and various others. The Southern Education Board had demonstrated the educational opportunities and needs in the South and had enlisted the hearty good will of the friends and leaders of the education of both races, as well as the support of State officials and the heads of institutions.



The idea of another board, which should have a large income at its disposal and be able at once to help supply some of the most urgent educational needs of the South, as well as those of other parts of the country, became impressed upon the minds of those who were influential with Mr. Rockefeller and were his advisers in matters of education and philanthropy. When it was decided to form such a board, Mr. Rockefeller offered an initial support, which assured it a considerable income for a brief term of years; and its members were appointed largely from the membership of the Southern Education Board, Mr. Baldwin becoming the first chairman. Since the board in its ultimate purposes was to be national in its scope, it was thought desirable to obtain for it a congressional charter. It could, indeed, have done its work just as well under a State charter, but there seemed reasons why it would be desirable to obtain a charter at Washington.

Among the men brought into the new board were the late Daniel C. Gilman (president of Johns Hopkins University); Mr. Morris K. Jesup, of New York; Mr. Frederick T. Gates; and Mr. E. Benjamin Andrews (chancellor of the University of Nebraska). Dr. Wallace Buttrick was at once made secretary and chief executive officer of the board.

After several years' observation of the board's methods and achievements, Mr. Rockefeller felt that he could trust it with increasing sums; and as a result of several successive gifts, the board came into the control of the large funds now intrusted to it, due report of which is made annually to the Secretary of the Interior.

The board has helped to advance educational progress in so many ways, particularly in the South, that I could hardly enumerate them to you in a letter. It has succeeded in strengthening a number of the best colleges and universities, and it has been active in helping to establish high schools throughout the South and to give better training to the teachers needed for the rural common schools. This work has been done always in cooperation and harmony with the educational forces of the States where money has been contributed. There has never, anywhere in the South, been the slightest thought of spending any of the money of the General Education Board with a view to political influence or to creating any kind of tendency as respects public opinion upon economic or social questions.

The board became interested in agricultural progress very largely through its deep perception of the fact that in the Southern States it was almost impossible to secure proper local support of common schools until neighborhoods had become sufficiently prosperous to pay school taxes. Agricultural prosperity seemed even more urgent than improved schools; or, rather, each of these reforms needed the help of the other, and both problems were to be considered as phases of a single larger one—that of the real progress and prosperity of the people.

The late Dr. Seaman Knapp, formerly president of the Iowa State Agricultural College, had been brought to Washington by Secretary Wilson of the Department of Agriculture, and placed at the head of a Government farm demonstration service in the Bureau of Plant Industry. Dr. Knapp's methods with the cotton growers, who had suffered such great losses through the ravages of the boll weevil, had been of great value as showing not only how to raise more and better cotton, but also how to diversify southern crops and improve local conditions.

This work of Dr. Knapp under the guidance of Secretary Wilson had greatly appealed to the General Education Board as of immense value and importance. Mr. Baldwin meanwhile had died, and Mr. Gates had become chairman of the board. Mr. Gates and Dr. Buttrick (as also Mr. Page, who served on the Country Life Commission with your distinguished veteran farm editor of Iowa, Henry Wallace) had become so greatly impressed with Dr. Knapp's work that they wished to see it largely applied in the South. The whole board was unanimous in adopting their views. But the appropriations made by the Government for the farm demonstration work were not large enough to extend that work very rapidly, or to carry it at all outside of the districts infected by the boll weevil.

The General Education Board proposed to have the farm demonstration methods extended, in advance of the boll weevil, to the South Atlantic States, and to be tried here and there farther north than the cotton belt. Secretary Wilson and Dr. Knapp were prepared to appoint additional local farm demonstration agents in the South, and to supervise the work, with the General Education Board appropriating such sums from year to year as were agreed upon. These appropriations grew larger, because the department felt great interest

in the spread of the work under Dr. Knapp's direction, and because the General Education Board was so well pleased on its part with the kind of supervision and direction that the Government was giving.

There was no interference upon the part of the General Education Board at any point. There was, on the contrary, entire harmony between the officers of the board on the one hand and the Secretary of Agriculture upon the other. We in New York had regarded it as perfectly well understood by the agricultural committees of both Houses of Congress, just as it was understood throughout the South, that the General Education Board was cooperating in this work of extending farm demonstration quite rapidly.

It would, indeed, have been quite possible for the board to have carried on this work under its own direct management; and at all times it would have been possible to have it directed by the State authorities and the local agricultural colleges, which looked upon it at first with indifference but afterwards with convinced admiration.

But the most efficient way to secure results, and to convince localities of the worth of this method of practical farm demonstration, seemed to be to have the work directed from Washington and carried on in a unified way under the direction of Dr. Seaman Knapp, and afterwards—Dr. Knapp having died at a great age, with his energy and his power unabated until the end—under the direction of his son, Mr. Bradford Knapp, who now directs the work efficiently under the present administration.

It had not been expected by the General Education Board that this cooperation with the department for the sake of farm demonstration in the South was to be other than a comparatively temporary arrangement. The boll weevil and other conditions created something like a great sectional emergency. The Government constantly cooperates with private donors to Red Cross funds in times of great public calamity involving loss of life and suffering—as floods, fires, and so on.

I am in a position to know the spirit of the General Education Board in its relation to this farm demonstration work, and I can assure you it has been patriotic in the truest sense.

There were certain reasons why this farm demonstration work was more immediately necessary in the South than in other parts of the country; but the General Education Board has already, in the course of a number of years, contributed toward that work a million dollars or more, and it is probably true that the time has come when the board's funds ought to be made free for other forms of effort.

If Congress is so convinced of the value of this work that it is ready to carry it on, as you now propose, it would seem to me that this is a substantial tribute to a kind of work that the board has done so much to encourage and develop.

I can hardly believe, however, that if you had really understood the intelligent enthusiasm and the perfectly unselfish zeal with which the board has cooperated in all this business, you would not have wished to stand before the country as disparaging the board. Nor, indeed, as a Senator from the State of Iowa, would you wish to attack a work which had been carried on under the full direction of two such distinguished Iowa statesmen and veteran farmers as Secretary Wilson and Dr. Knapp. It was largely because of the value of this work, and their appreciation of it, that the farmers of the South clamored for the retention of Secretary Wilson when Mr. Taft formed his cabinet. It was wholly on account of the value of this work that in its great new teachers' college at Nashville, which bears the name of George Peabody, there will be a department forever known as "The Seaman A. Knapp School of Country Life," thus perpetuating the memory of the man who was president of Iowa's State College of Agriculture.

You are quoted in the newspapers as having reflected by inference upon the colleges and educational institutions throughout the United States that have been helped in their endowments by the General Education Board. It is true that this board has given a great deal of money to colleges and universities. I should think the amount of such gifts must by this time be \$12,000,000, or thereabouts, but in no case has the amount given to an institution been large enough to carry with it any suspicion of an endeavor to obtain any influence over the management or the teaching of the institution. For example, five colleges in your own State have had a share in these appropriations. The college in your State that has received most aid from the General Education Board is your own college (as it is also mine), namely, the institution at Grinnell; but whereas the General Education Board has helped Grinnell College in three successive campaigns for funds, its subscriptions have amounted only to a total of



\$200,000, as against about four times as much contributed by the friends and supporters of the college.

It is always the aim of the General Education Board to help those who help themselves, and to do it in such a way as to stimulate and strengthen each college's proper and natural constituency. For instance, your college at Grinnell has just completed a new campaign to raise \$500,000 for necessary objects (chiefly endowment), and the General Education Board has subscribed one dollar in five. There is no college in the country which is regarded as more independent in its spirit or more wholly free from undue influence in its teaching and in its control than the college at Grinnell, which has pride in you as one of its students and in your colleague, Senator Cummins, as one of its trustees. You, I am sure, know well that neither the trustees on the one hand nor the president and faculty on the other hand could be persuaded to give up any degree of the full measure of freedom that Grinnell has always enjoyed. And what you know in this regard is also well known by the General Education Board.

I can assure you, from my own constant observation, that the General Education Board, in its subscriptions to colleges and universities throughout the United States has shown no motive except that of promoting and strengthening the cause of education. If I could have discovered in the board any other motive or tendency, I could not with good conscience have remained a member.

It would seem to me impossible to attempt to discuss the General Education Board's work except as its membership has managed its affairs and appropriated its income.

The board believes that the investment, and from time to time reinvestment, of its funds have been managed with due regard to the safety of the principal and the yielding of a proper average percentage of income in order that it might have resources with which to promote the carefully selected objects of its support or aid. I have not served on its finance committee, but each member of the board has been duly informed from time to time of the status of the board's investments. It is natural that business men in New York should invest educational and trust funds in the securities of railroads and industrial enterprises with which they are acquainted.

The work of this board has become well known to the educational people of the country. The board has been brought into close relationship with the presidents of colleges and universities and the other leaders in the cause of education. There is hardly any university or college in the country, great or small, which has not come into relationship with this board, either through application for a subscription to some endowment effort or in some other way.

The board has made it its business to encourage good standards and careful management wherever its influence extended. I do not believe any college president or educational leader in the United States will come forward to say that the board has ever, to his knowledge, tried to exert any kind of influence except a wise and helpful one, as respects, for example, good business management, avoidance of improper diversion of permanent funds to current expenses, thorough educational standards, and truth instead of fiction in college statistics.

The good opinion the board has earned among the educational men of the country is the more remarkable because it has steadfastly refused to buy popularity by distributing doles to all seekers. While it has helped many colleges, it has refused to help vastly more because it had rules and standards to which they could not conform. Yet even these hundreds of institutions which have not secured aid from the board have seldom failed to appreciate the impartiality and sincerity of the motives governing the board's decisions.

As the board is now constituted, its chairman is Mr. Frederick T. Gates, and its secretary and chief executive officer is Mr. Wallace Buttrick, with Drs. E. C. Sage and Abraham Flexner as his assistants—these secretaries all three being educational experts of rare ability, and two of them are members of the board. Besides these officers, the board includes, in the order of seniority of membership, the following names: John D. Rockefeller, jr., Walter H. Page (now ambassador, etc.), Albert Shaw, Starr J. Murphy, Edwin A. Alderman (president of the University of Virginia), Hollis B. Frissell (president of Hampton Institute), Harry Pratt Judson (president of the University of Chicago), Charles W. Eliot (president emeritus of Harvard University), Andrew Carnegie, Edgar L. Marston (New York financier), Wickliffe Rose, Jerome D. Greene, and Anson Phelps Stokes.

Messrs. Rose, Greene, and Stokes are educational experts of great ability and experience—the first chiefly identified with southern educational work, the second formerly with Harvard, and the third with Yale.

The entire board is keenly interested in all the work that is carried on. Members like Dr. Eliot, for instance, are not merely nominal or perfunctory members, but give long days and their most thorough attention to the board's work. In this regard, indeed, there has perhaps never been an educational board having large funds to expend which has been made up of men so minutely intelligent about all of its efforts, and so keenly alive to the opportunities and responsibilities of the trust reposed in them. The board has done its work in harmony—not the harmony of mere acquiescence, but that of intelligence and of conviction after free and full discussion.

Since I am writing this long letter to you entirely of my own accord, and without consultation with anyone whatsoever, I believe that my statements must, to some extent, result in your obtaining a new and better light upon the spirit and methods of this board. I could have had no reason, through all these years, for remaining a member of the General Educational Board if I had not been fully and at all times convinced of the value of its work. I have felt that as a member of the board I was connected with an enterprise that was performing a noble public service with freshness of ideas, with immense vitality, and under guidance and direction that has always surprised and delighted me by its sagacity as well as by its energy.

I can not feel that your attacks upon the board are just to us who have through these years constituted its membership, and have thus been responsible for its actions. It is true that the funds directed by the board are inconsiderable excepting for those very great gifts received from Mr. John D. Rockefeller, although the board has at all times been prepared to receive and to administer money put in its hands for educational purposes by other donors. Mr. John D. Rockefeller, jr., has from the beginning been a member of the board. I am sure that everyone who has served with him on this board would testify to Mr. Rockefeller's conscientiousness as a member, and to the qualities, both of mind and of character, exhibited by him in the board, which would have made him a most desirable member quite apart from the fact that the board was dispensing the income of funds contributed by his father.

I must not for a moment question your intention in a matter of this kind, as in all other things that affect your action as a Senator, to be guided by a sense of public duty. I must ask you to be equally careful not to reflect upon the motives or the labors of those of us who have given of our time and effort as members of this board, impelled by a great sense of the opportunity given us to serve the best ends of American progress.

I believe that this board has made a remarkable record for usefulness and efficiency. I believe that if you could have known the spirit of its members, the thoroughness with which they have studied the educational needs of the country, and the considerations that have actuated them in their different undertakings, you would wish to compliment the board, because you also are a man who, by nature and by training, is in full sympathy with all the different things that this board has tried to do or to help others in doing.

This letter, long as it is, merely summarizes what I should like to have said to you in conversation some time ago, in order that you might at least have had the advantage of my point of view and of my information.

I, for my part, am quite willing to have the board's support of farm demonstration entirely taken over by the Government. But if you had known, as fully as I have known, the history of this cooperation, I think that you would have been glad to pay the board a generous compliment for its timely helpfulness in this field, while proposing to relieve its funds and to take over the work as worthy of full governmental support.

As for the character of the board, I am inclined to hold strongly to the view that an organization of this kind, not having a local object in view, but dispensing its educational funds throughout all portions of the country, may better operate under a congressional charter than under that of an individual State. You might, indeed, find it desirable to prepare and introduce a bill providing a wise and well-restricted form of Federal charter for educational funds and endowments of this character, rather than to have such enterprises incorporated singly and under separate and special forms.

Believe me, with great regard,

Sincerely, yours,

ALBERT SHAW.

HON. WILLIAM S. KENYON,

*United States Senate, Washington, D. C.*



FOURTH AND FIRST NATIONAL BANK,  
Nashville, Tenn., June 1, 1914.

DR. WALLACE BUTTRICK,  
General Education Board, New York City.

DEAR DR. BUTTRICK: I am handing you herewith a copy of a day-letter telegram which I have just sent to the list given below, and you may rest assured that I will follow this up in any and every way that I possibly can and with all the spirit which I can command.

Yours, very truly,

JAMES E. CALDWELL.

To the President of the United States; Hon. Luke Lea, United States Senator from Tennessee; Hon. John K. Shields, United States Senator from Tennessee; Hon. Sam Sells, Congressman first district, Tenn.; Hon. Dick Austin, Congressman second district, Tenn.; Hon. John A. Moon, Congressman third district, Tenn.; Hon. Cordell Hull, Congressman fourth district, Tenn.; Hon. W. C. Houston, Congressman fifth district, Tenn.; Hon. Joe Byrns, Congressman sixth district, Tenn.; Hon. Lem Padgett, Congressman seventh district, Tenn.; Hon. T. W. Sims, Congressman eighth district, Tenn.; Hon. Finis J. Garrett, Congressman ninth district, Tenn.; Hon. K. D. McKellar, Congressman tenth district, Tenn.

[Telegram—day letter. Western Union.]

JUNE 1, 1914.

Senator LUKE LEA,  
Washington, D. C.:

It appears that the Agricultural appropriation bill contains language reflecting on the General Education Board in a most offensive manner. As I have a good deal of personal knowledge of the workings of that board, and an acquaintance with the men directing its affairs, I am in position to know that it is not deserving of any sort of censure, but, on the contrary, so far as Nashville and Tennessee in particular, and the whole South in general, are concerned, there is every reason to be under lasting obligations, and should be deeply grateful for the favors which that board has shown.

The George Peabody College for Teachers, at Nashville, owes its very existence to the General Education Board, which has rendered it most valuable assistance in every way, and responds to its needs promptly and unhesitatingly.

It would be nothing short of a crime for Congress to use any language reflecting on the General Education Board, or any of the people connected therewith, and I sincerely trust that you will exert yourself to the utmost to prevent any such outrage being done.

JAMES E. CALDWELL.

MAY 23, 1914.

Hon. A. F. LEVER,  
House of Representatives, Washington, D. C.

MY DEAR MR. LEVER: I note from the press that a resolution has been passed by the United States Senate which will make it impossible for the General Education Board to make further contributions to the support of the farm demonstration work in the South, and that another resolution has been introduced into the Senate revoking the charter of the General Education Board.

For the last four years I have had excellent opportunities to observe the farm demonstration work and other activities to which the General Education Board has contributed. As I understand it, the farm demonstration work was begun by the General Education Board as an experiment, with the hope that it would so commend itself that the General Government would take over its activities when the work was well established. I am surprised to see a disposition to condemn the General Education Board for initiating and supporting an activity which the Government has now determined to assume. The work of the General Education Board has been performed in the Southern States. I do not believe that it is in accordance with our courtesy and our traditions that we should sit still and allow people from other sections to put us in a position which would seem discourteous and ungrateful.

If the demonstration work, assisted by private agencies, has done its work, and the Government is now willing to assume the whole burden, would it not be better to relieve the private agency with a vote of thanks and words of commendation and not merely to kick it out unceremoniously?

The position which I have until recently held in South Carolina has not been supported by the General Education Board, but it has been my privilege to work with the Farm Demonstration Agency, the Canning Club, and with Mr. Hand. No one will deny that these have been effective forces in the agricultural and educational development of South Carolina. I do not believe that the appointment of a single one of these workers has been dictated by Dr. Buttrick or the General Education Board.

I was once offered the position in Arkansas corresponding to that now held by Mr. Hand in South Carolina. -The tender came from the president of the university. Dr. Buttrick would take no responsibility in the nomination of the officer.

I believe that the resolution to revoke the charter of the General Education Board is a shortsighted political move. I do not think any law should be passed which will make it impossible for citizens of the United States, with patriotic impulses, to cooperate with their Government toward right ends. If there is any danger in the contributions of the wealthy to benevolent purposes, this danger would certainly be minimized by the supervision of the National Government. The General Education Board has thus far shown great wisdom in its selection of lines of activity. I see no reason why we should anticipate a reversal of its beneficent policies.

I trust that Congress will soon adjourn and that you will get a much-needed rest. We all appreciate your magnificent work as chairman of the Agricultural Committee.

Yours, sincerely,

W. K. TATE.

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#### GADDIS EXHIBIT.

STEAMBOAT SPRINGS, COLO.

Congressman EDW. KEATING,  
*Washington, D. C.*

DEAR KEATING: I came into possession of the inclosed piece of correspondence while in Oak Creek the other day, and I thought it worthy of notice by the committee of investigation of industrial matters appointed by Congress which investigated, among other troubles, the Colorado strike of a year ago.

You will notice the date, January 2, 1915, which is later than the time when the fight was at fever heat, yet at such late date the wholesale dealers were yet sensitive.

Oak Creek, as you will know, is a mining town in Routt County, where the threatened deportation was to take place and where the detachment of State troops sent into this part of the State were quartered.

The K. Clemens to whom the letter is addressed is and was throughout the strike a friend of the strikers, and because of ability to speak several languages and his activity in holding the strikers together by his being of Polish or Slavonic nativity he was a subject of much abuse from the faction endeavoring to break the strike.

The Jas. A. Brobeck of the letter is a salesman of the J. S. Brown Wholesale Grocery Co., who works this part of the State for that firm.

Trusting that you will direct this inclosed letter into the proper hands, I remain,

Yours,

ALBERT A. MANN.

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THE J. S. BROWN MERCANTILE CO.,  
*Steamboat Springs, Colo., January 2, 1915.*

Mr. K. CLEMENS, *Oak Creek, Colo.*

DEAR SIR: Regarding the orders for 30 cases Tall Columbine, which you gave me order for some short time ago, to be included in my car of milk, will say that I think it best to use a little diplomacy in connection with this sale for our own protection.

While nothing has been said recently regarding our selling you, we have had protests from some of the merchants in Oak Creek, and you understand that we can not afford to jeopardize the nice business which we have there by selling anyone that is objectionable to any of our customers. However, Sam Loomis is a good friend of mine and not a bad one of yours, and I have explained this to him and asked him for permission to bill these 30 cases of milk to him, and he will



give the drayman an order to deliver it to you. As I will not be there at that time, I will have the house send Loomis a bill for the same, and then he is to make collection, as the transaction will be cash.

The car will be shipped Monday or Tuesday, and I might as well say right here that this will be a very profitable purchase for you, as milk will advance again just as soon as the present fight is off, which every merchant in your district has taken advantage of.

Yours, very truly,

JAS. A. BROBECK.

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DEAR SIR: Please accept my thanks for your kindness, but I will not need your milk in above transaction.

Yours, truly,

K. CLEMENS.

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### THE ROCKEFELLERS IN THE ROCKIES.

By E. S. Gaddis, late superintendent of the sociological department of the Colorado Fuel & Iron Co.

#### PRELIMINARY STATEMENT.

The United States is the largest coal-producing country in the world, exceeding England's annual output over 200,000,000 tons.

In 1864, the virgin year for the Colorado collieries, 500 tons was the yield; in 1910 over 12,000,000 tons were dug; last year a tonnage of some 8,000,000 was recorded, giving the State the ninth place among the 28 coal-mining States of the Union. The Centennial State is destined to take much higher rank than previous ratings, as the United States Geological Survey estimates her workable coal fields at 10,130 square miles.

The Colorado Fuel & Iron Co. mine 35 per cent of the State's total output of coal and are the largest company loading the black diamonds.

#### COMPONENT PARTS.

This corporation was formed in 1892 by a coalition of the Colorado Fuel Co. and the Colorado Coal & Iron Co. The following subsidiary branches were subsequently acquired or developed: The Colorado Coal & Iron Co., the Colorado Supply Co., the Colorado & Wyoming Railway, the Crystal River Railway, the Grand River Coal & Coke Co., the Rocky Mountain Timber Co., the Colorado Industrial Co., the Mountain Telegraph Co. (part owners), the Minnequa Town Co., the Pueblo Realty Co., the Hospital Association Co., the Red Stone Improvement Co. (part owners), and the Minnequa Cooperage Co.

The fourteenth auxiliary has lately been made an adjunct to the Rocky Mountain Timber Co. Cattle raising on a large scale will soon be tried. Expiring leases on the Maxwell land grant are not being renewed, the acreage to be reserved for coming herds of beef on the hoof.

The purchase of between 250,000 and 300,000 acres of the above-mentioned territory deprived many ranchers of what they had concluded was their inalienable property rights. A representative of the company, accompanied by a band of hair-trigger cowboy desperadoes, clothed with the dignity of a deputy sheriff's commission, proceeded to settle disputed claims. At Stonewall one man was shot down in cold blood; all enemies were put to flight; and the raid guaranteed clear titles to vast regions of coal and timber land. The leader of these bandits was lately eulogized by one of the board of directors in saying: "They don't make 'em much better than the old man."

#### STOCKHOLDERS.

In October, 1914, the twenty-second annual exhibit came from the press in pamphlet form: "Capitalization, \$36,325,000; bonded debt, \$45,158,000; summary of total assets over \$101,000,000."

Rockefellers own 40 per cent of the preferred and 40 per cent of the common stock; also 6½ per cent of the "general five" bonds. There are 2,000 other stockholders.

In the early days of the strike agitation, the newspapers boldly affirmed that the company had accumulated a \$5,000,000 reserve fund, with which to defeat the efforts of the United Mine Workers. The allegation was denied, but the snug sum furnished the foundation for a serene complacency, and a course of tactics otherwise impossible. Often heavy drafts on this reserve fund for "strike expenses"; cash on hand in the financial report is tabulated at over four million.

Six years ago Welborn was not regarded as a man of large enough caliber to properly conserve the allied interests of which he had been made president. He "was not trained as an operator of a large corporation." Bowers clothed with authority from 26 Wall Street and sufficient proxies to constitute him sole arbitrator in all minor and major matters to which he might address his attention began to put into telling effect his former "experience in organization and management." "It is true I represent the Rockefeller interests," is his asseveration. The Damocles sword that Bowers suspended over the heads of the officers in the Boston Building in Denver reduced them to manikins and office boys.

Testimony was given before the Federal Commission on Industrial Relations, sitting in Denver last December, that Bowers was still a resident of Denver. Absentee landlordism was not a palatable phrase for the operators. Months before this statement was made Bowers had sold his Denver property and removed his family to the East. He had fully determined to "turn things over to the boys" and there was much rejoicing at the prospect that he would be content to give them chiefly "absent treatment" in the future.

At 68 years of age Bowers was wearied with carrying the rasping details of a large business; and while the case of industrial malpractice was being adjudicated in the court of public opinion, he retired to his eastern home.

About 25 years ago four-fifths of the men in the Colorado collieries spoke the English language. The Welsh, English, Scotch, and Irish were the predominating races. To-day the ratio has been exactly reversed, and the English-speaking employees average about one-fifth of the people in the camps.

Aliens in the fullest sense of the word have been encouraged to crowd out the higher grade immigrant. To lower the scale of those living in the cottages raises the total footing of the scales on the tippie. The less it costs to keep camp citizens satisfied the less danger there is of public sentiment forcing expenditures for improvements. The camp that can mine the largest amount of coal at the lowest possible figure carries the banner.

In 1913 some 200 coal miners were operating in the State. Twenty of these represented the Rockefeller holdings. Without being too technical the coal deposits are divided into the northern, southern, and western sections. The C. F. & I. Co. are working in the southern and western areas.

In July and August of 1914 the company had on their pay rolls 7,786 manual laborers, representing 32 different nationalities, principally from southern Europe. The heavy percentage of illiteracy fixed their rating as low almost as present conditions in old Mexico. Many of them could neither read nor write their own language. A few years ago in Las Animas County, which produces 50 per cent of the coal of the State, there was found 18 per cent of the population and one-third of the State's illiteracy. Some of the strikers thought Rockefeller was the President of the United States.

The following table indicates the quota contributed by the Rockefeller system to the modern Tower of Babel that has given the civil and commercial interests of the Commonwealth so much concern:

*Number of men employed and nationalities, during July and August of 1914, by the fuel department, Pueblo Steel Works, Rocky Mountain Timber Co., and iron and rock mines.*

Fuel department:		Fuel department—Continued.	
American	702	Slavish	130
English	12	Polish	48
Scotch	18	Italian	771
Irish	10	Croatian	6
Welsh	14	Russian	16
German	43	Servian	1
Negro	125	Japanese	25
Mexican	615	Roman	1
Spanish-American	22	Bohemian	2
Swedish	8	French	1



*Number of men employed and nationalities, etc.—Continued.*

## Fuel department—Continued.

Hungarian	50
Austrian	192
Dutch	3
Bulgarian	13
Roumanian	19
Greek	170

Total	3,017
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## Pueblo Steel Works:

American	1,112
Austrian	780
Italian	444
Russian	187
Greek	182
Negro	115
German	82
Mexican	78
Swedish	58
Spanish	52
Japanese	48
Irish	43
Slavonian	34
Hungarian	25
English	24
Pollacks	26
Scotch	19
Welsh	15
Syrian	12
French	7
Bohemian	5
Servian	7
Croatian	3
Norwegian	2
Swiss	2
Cuban	1

## Pueblo Steel Works—Continued.

Portuguese	1
Not recorded	326
Total	3,689

## Rocky Mountain Timber Co.:

Mexican	500
American	40

Total	540
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## Iron and rock mines:

American	100
Italian	207
Greek	97
Mexican	86
Austrian	30
Japanese	9
Chinese	1

Total	530
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Grand total all depart- ments	7,786
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## SUMMARY.

American and Negro-American	2,194
Northern European countries	682
Southern European countries	3,221
Japanese	82
Mexican	1,279
Cuban	1
Chinese	1
Not recorded	326
Total	7,786

## LOCATING RESPONSIBILITY.

Rockefeller has not been in Colorado for 10 years and seldom attends a meeting of the C. F. & I. board of directors. His ignorance of real conditions in the camp villages enable him to testify under oath: "I should not have known how more conscientiously to carry out my full duty toward them than I have. The fact that they brought no complaints at all would indicate to me that they had no grievances."

For several years prior to the 15 months' war in Colorado, which aroused the whole Nation, neither Bowers nor Welborn were cognizant of policies and practices in dealing with the miners except as represented to them by inferior officers. Bowers took the position that to grant the right of appeal with the type of characters with whom they had to deal was to invite chaos—appeals to Welborn, if they were considered at all, would only emphasize the severity of the régime. A "down-the-canyon" verdict was not likely to be reversed at the office of the general boss, for he is the kingbolt of the machine that must be kept running smoothly. The super can easily erect a wall between himself and the division manager, which only calloused temerity would tackle. At the bottom of the pit with pick and shovel the miner frequently found a grafting pit boss on his back. The Federal grand jury which sat in Pueblo during the strike trouble thus pictures the situation: "Miners generally fear to complain of real grievances, because of the danger of being discharged or placed in inferior positions in the mines. Many miners apparently believe that employees have been discharged because they have made a request for a check-weighman."

The responsibility for about 50 per cent of all the miners of the State laying down their tools lies at the door of the local camp officials, supported by those immediately over them in office, the division and general manager.

When ex-mine mule drivers and rope riders are given the arbitrary authority of a provost marshal in communities varying in size from 200 to 1,000 souls, an individual has been evolved which can only be found in the closed camps of the coal barons—or other mines so controlled.

On the day of the great walkout a super ordered his gunmen to drive the red necks (strikers or their sympathizers) off the company property. The zealous deputies refused to permit men to assist their families to pack their household goods. They were not allowed to stop at the railroad station, not located on C. F. & I. territory. Only after telegraphic remonstrance from railway officials were the men allowed to wait for the trains.

After the famous battle of the "Hogback," where incessant firing for 50 consecutive hours occurred, a super from that neighborhood was drunk on the streets of Walsenburg.

For years a super has been retained in one of the largest camps, whose drunken exploits are a disgrace to the whole county.

About a year ago a super was let out whose notorious camp recourse became unendurable. He soon afterwards opened a saloon in Denver.

Men who don't know how to speak emphatically without blasphemy, or to enforce discipline without brutality, are quite likely to have their efforts seconded by camp marshals whose appointment and salaries are controlled by local companies, and who have exercised a system of espionage, and have resorted to arbitrary powers of police control. These, taken with brutal assaults upon the miners, have produced a general dissatisfaction.

#### VIOLENT DEATHS.

Geological formations in the Rocky Mountain region make mining peculiarly hazardous. There are two deaths here for every one in all other coal fields in the United States. The Rockefeller company have made a heavy contribution to this mortality.

The following explosions in recent years have occurred in the Rockefeller mines: April 2, 1906, Quattro, 19 killed; January 23, 1907, Primero, 22 killed; May 5, 1907, Engleville, 5 killed; January 31, 1910, Primero, 76 killed; October 8, 1910, Starkville, 56 killed. Total, 178 in five years.

When the second Primero explosion occurred, the leading pastor of Denver from his pulpit declared the lives had been sacrificed on the altar of corporation cupidity. By telephone the Rockefeller representative said he wished to make explanation; to which the good man replied, there is nothing to be explained. For these utterances he was blacklisted along with the muckraking magazines, socialistic preachers, trust-busting political shysters, and their bedfellows—the agitators and anarchists.

During a recent period of little over two years there were nearly 180 violent deaths in mines in Las Animas County. Within a period of eight years and a radius of some 150 miles of Trinidad, 564 lives were crushed out. In 1914 statistics presented by the United States Bureau of Mines, charges 108 deaths to Colorado. More than two human lives a week was the toll exacted. For three years past the number of violent deaths for every 1,000 employees has increased. Fifty per cent of these fatal accidents are preventable, and yet an adverse deliverance of a coroner's jury was but once levied against the company during this time.

That perjury before the coroner is common no one will deny that has serious regard for a breach of the ninth commandment.

A few weeks ago a pit boss and colored miner were killed by two runaway cars. It was a topic of conversation among the men of this camp that the cars had not a double coupling as required. The company was exculpated, the State mine inspector said "the men stepped from a place of safety into a place of danger."

Coal at any cost seems the avowed policy of not a few of the petty bosses. That a drunken spree is really a good thing, for the miner will work harder to make up for loss of time when he is able to reach the face of his room again, is the opinion of one of them.

King coal!  
And who is the baster?  
King coal!  
The modern world's master—  
Through triumph or blackened disaster,  
King coal!



## A CENTRIFUGAL FIASCO.

The much-advertised appointment of a welfare agent, "as a mediator between the company and its employees," will only tend to intensify the despicable oppressiveness of the past few years. One super at least has already been informed, sub rosa, that there need be no undue concern about this new officer limiting their suzerainty. He had been in the field but a few weeks when he effected the discharge of a man with a family to support, on the word of a woman of questionable character. The evicted employee was given no opportunity to present his side of the case.

It is a farce to presume that a pet appointee would fearlessly and impartially bring things to the surface that would disturb the imperturbable equanimity of the one who must O. K. his monthly salary account.

The assembling of camp delegates in Bowers's old office on January 19, in which complaints were solicited, and a generally bumptious good time, with free auto rides, banquet, and theater party as a part of the program, in addition, all expenses being paid to and from their respective camps, was a decided hit; "and many of them showed a freedom such as one might expect from them in a meeting exclusively of their immediate associates." If two of the members of this Denver convention represented the rank and file of the body, the norm of the past years will not be altered. One of their said members has for some time made more money in his camp than the super himself.

Another son of Ham, who sat in this first assembly of coal camp patricians and plebeians, owed the company store a bill of over \$80, which the manager had almost despaired of collecting; and for more than a year this same accredited subject had been paying back the store on \$100 advanced for his wife's funeral expenses. A good square kick would hardly be expected from such sources.

Again the remembrance of so many of their former comrades being "canned" for squealing would not be forgotten amidst the grandeur and informality of their temporary environment.

A few weeks after this meeting a representative from headquarters inquired of a super if "the men thought we were trying to put one over on them." There is room for suspicion that "one is being put over" on the public and that the various investigating committees are having dust thrown into their eyes; for, presto, the lion has been changed into the lamb.

## POLITICAL MANEUVERS.

In the fall of 1912, the present brightest star in Rockefeller's Colorado legal galaxy publicly attacked the corporations in the following language: "You who have been attending conventions for the last 10 years in Colorado know very well, if you are honest with yourselves, your neighbors, that you can not put your finger on a single item of convention legislation in the way of platform or nomination in which you were instrumental. They have probably given the local superintendent of the mine the number of delegates to which the community is entitled. He knows he is to select a certain number of men who are to come in and follow the dictation of a single man whose name is given them before they leave. Candidates are selected not with a view of their fitness, not with a view of their ability to discharge their duty, not with a view of their integrity, but 'are they satisfactory to the company?'" This man was too formidable an antagonist to be at large. Last year no more doughty champion than he defended the Rockefeller interests. The Chronicle-News, the Trinidad evening paper which he owns and controls, went beyond all limits to out-Herod Herod in their fight against the miners. The city editor of this paper so exasperated the strikers that he apparently considered it the part of wisdom to seek employment in another city.

The frequent number of conferences the manager of the Trinidad Morning Advertiser had with the local and Denver office would justify the opinion that the nature of the many columns of the advertising he was carrying needed particular attention.

The deliverance of the ex-judge was by no means an anachronism. The company camp delegates to the Las Animas Republican convention in Trinidad last spring, 1914, were closeted with the general boss of the fuel department just before they went to the convention hall.

"If the Republican ticket is not elected some one will be out of a job," was a threat made to an employee.

In the battle at the polls November 3, 1914, the company store manager and mine weigh boss served as camp election judges, while the super and marshal lined things up on the outside. Returns from this camp were quite satisfactory.

On this same day the clerks in the Denver office were so moved by patriotic principles as to almost desert their desks to a man for efforts in and about the polls.

In the last legislature a company store manager sat as a member of the lower house who is said to have blandly asserted that he was a corporation man.

Several years ago the State legislature found the large corporations so sensitive to restrictive measures that they put up dummy bills as scarecrows; and the fear of obnoxious laws subsided, as the State lawmakers were reduced to a set of blackmailers.

From a high tribunal the charge is hurled, "The coal companies are sufficiently influential to nominate, elect, and control many county officers, and have done so with the result of complicating the industrial situation by arousing political prejudices."

In 1912 a notice was posted in the camps of the company that "every one of its employees shall be free to vote as he sees fit." A hard-working company railway man who dared to be a Democrat was decapitated a few months ago in spite of the declaration of political independence above quoted.

#### SOCIOLOGICAL FEATURES.

The propaganda for social welfare work was first introduced by making the surgeon general the superintendent of the department. The casa vivienda (living house) of the hospital medical staff at Pueblo is a commodious structure, which modern science and a liberal amount of money have made a place of beauty and luxury. It is situated in a 20-acre cultivated wooded campus, with the hospital buildings in the same inclosure.

The surroundings at Minnequa have had the same effect upon the sensibilities of the leaders there as the anesthetics they administer to patients in the operating room. The lack of comforts, the squalor and filth of the camps is so far removed from these gentlemen that they are little touched "with the feeling of infirmity" for those who must endure the hardships of camp life. An appeal to the surgeon general for relief of some despicable situation seldom meets a prompt and adequate response.

"We are not engaged in the philanthropic business," was the deliverance of the head of the medical department when solicited to assist those near the hospital who were voluntarily supporting a work that Rockefeller's millions should have long ago put on a firm footing.

After a few years' trial of the above plan, a minister was employed to act as superintendent of the department of sociology, and also business manager of Minnequa Hospital. To advance the religious, educational, and social work of 25 or 30 camps, necessitating the travel of over 1,000 miles to complete the circuit, is a full complement of labor for any one man. To give one-fifth time afield and four-fifths at home was to allow pressing matters to go by default along progressive welfare lines. After a somewhat lengthy tenure of office, the second superintendent retired with very meager results as the sum total of his efforts.

At this period, about two years ago, there was but one small clubhouse in the Trinidad district of nine (C. F. & I. Co.) camps; one also in the Walsenburg district of six camps, that was not cursed by saloon associations; one in a rock quarry, but so far removed from where the men lived as to be little used by them.

At Red Stone, on the western slope, a large amount of money was expended in improvements of all kinds. It is the show place of the two largest coal companies in the State. But for a number of years neither coal nor coke has been shipped from this point, and as a sociological asset for employees the whole plant is a negligible quantity.

At the Pueblo Steel Works, which employs from 4,000 to 6,000 men, there is not a semblance of social-welfare advantages.

Mr. Bigelow, a well-known eastern sociologist, came to Colorado last summer to take notes of the work of the department now being considered. After a visit to a few camps he concluded there was nothing to investigate, and returned home.



One of the board of directors living in Denver candidly admitted, "We might as well confess it, we have not given them anything but the saloon for the past 25 years."

In contrast to the magnificence at casa vivienda, many of the miners' families are living in hovels, box-car shacks, and adobe sheds that are not fit for the habitation of human beings. But this does not interrupt the deduction of rent from the pay check.

A camp physician thus describes a certain Italian quarter: "There are houses up the canyon, so called, of which 8 are habitable and 46 simply awful; they are disreputably disgraceful. I have had to remove a mother in labor from one part of the shack to another to keep dry."

Frequently the population is so congested that whole families are crowded into one room; eight persons in one small room was reported during the past year.

In one of the best-paying camps the hotel is such a dilapidated, ramshackle trap that the boarders are driven from the place offering such accommodations.

At an altitude of 10,000 feet, where the thermometer drops to an extremely low register, there is not a plastered house to be found. The man intrusted to answer the questionnaire sent out from Washington was instructed to fill out the blank forms so as not to arouse suspicion that conditions would fall below the standard suggested by the interrogations.

The average underground workman must make the following monthly payments before the credit side of his account is needed: Powder, caps, and fuses, \$5; electric lamp, \$1; oil lamp, \$1.50; medical dues, \$1; water, per month, in Frederick or Segundo, \$1; blacksmith, 50 cents; house of four rooms, \$8; men's clubs (voluntary), \$1; water at Lester (35 cents per barrel), \$1.40; electric lights, 35 cents per room, \$1.40; company store, about 35 per cent of his pay check, \$42. At \$4 per day, 30 days, \$120, less \$62.80, or 50 per cent of the man's earnings, back into the company coffers.

The present status quo of sociological work makes the best showing in the history of the Rockefeller controlled mines. But it is so far below what a pure humanitarian basis demands, with but one or two exceptions there is not a camp where the charge, "On the ground where the corporations make their money there is the least evidence of it," would not be literally true.

Religious work is especially in need of attention and new methods. A preaching service once a month, a Sabbath school each week, led frequently by those quite unfit for such work, does not meet the needs of a society where the downward immoral pull is never slackened.

The various home-missionary societies should place men among these responsive settlements, untrammelled by the dictation of mercenary officials, who are now quite sufficiently obsessed with present range of rule.

#### THE PUBLIC SCHOOLS.

For 10 years a camp was operated without a public school, the nearest one being  $4\frac{1}{2}$  miles, or a 9-mile walk each day. Families with children moved away in order to find school privileges. A girl 13 years old lived in this camp who had not been to school.

"The school facilities in our camps are the very best," was the word given under oath to the investigating committee authorized by Congress. In a district under the company school directors, and where prior to the strike nearly every man in the village worked for the company, an old leaky roof adobe building has been used for a school for several years. The use of this property gave rent to a former camp marshal. It is situated between the coke-oven washer and a stable, is overcrowded with children, and at times is filled with smoke from the company plant.

Up to last fall a building in a closed camp had been utilized for school purposes, located on the second floor of a hotel building owned by the company; to reach it a dark stairway must be ascended; the small windows in the room were on a level with the floor; and in dark days the children had to take their books to the window in order to read.

In another community the windows and doors of the schoolhouse had become so loose that on windy days, of which there were many, one was reminded of a ride on a motor cycle. A teacher in this building said that sessions of her school were interfered with because the room could not be warmed on cold days. For making this statement she was informed by the superintendent that her appoint-

ment as teacher for the coming year would not have been approved had he known of her course a little earlier.

A State statute at least 20 years old requires fireproof fire escapes on all two-story school buildings. The company has at least six such buildings, and not one of them was protected according to law at the beginning of 1914. The threat of a penitentiary sentence which the law imposes caused activity in some quarters, but was ineffectual with others.

A young married man was suddenly deprived of his position as principal and a local official's daughter given the place. A store manager director wished to remove a lady teacher because she did not trade with him. A principal was not reappointed last fall on the ground that he was a "redneck." When the assistant general boss of the coal camps was asked for the proof of the charge, he answered: "So-and-so is a G. D. red neck. When I dismiss a man working for me that settles it. If the Denver office wishes to make the appointment of school teachers, I have nothing to say."

Later the man, who had appealed to both Bowers and Welborn, was taken care of in another camp.

For being instrumental in having an inefficient neice removed from a position that was paying her \$80 per month, one was threatened with physical violence by the camp superintendent.

A young man that insisted his lady teachers conduct themselves properly, and that dances in the schoolhouse close at 12 o'clock Saturday night instead of 4 a. m. Sunday, was called "too religious" and informed that had he conducted himself as other men in the camp he would not have lost his position.

A store manager's daughter below legal age, and without any teacher's certificate, was made a teacher against the protest of the county superintendent and the people of the camp.

Whenever there is danger that the company clique may lose control of the school board directorship, the indefeasible right of the electors is denied them, and an obsequious county superintendent makes a favorable appointment.

In many camps a large portion or all of the school tax is levied on company property. This, together with the school directors being hirelings, has led to surprising liberties with this public fund. A \$6,000 building was erected, the company carpenters doing all the work. With the building still unpaid for, no indebtedness was recorded in the county treasurer's office against the district. The mine clerk was receiving notices from company headquarters and to the amount of the debt still due the company.

The president of one of the boards stated his district had paid the company enough interest on their debt to pay for the school building. The company advances money for the proposed improvements and seems to collect the principal on the terms to suit themselves.

In order to put some additional equipment in one of the schools, inquiry was made as to the amount of money the district would have to use for the current year. The clerk of the board gave it as less than \$3,000, while the county treasurer said warrants to the extent of \$9,000 would be honored from that district.

The law of the State permits schools of the camp grade to fix the salary of the clerk of the board. It would be an interesting item to know the exact amount of money this scribe receives.

#### SANITARY SITUATION.

The insanitary plight of large portions of company property is due very largely to the fact that the hands of the camp physician are tied by the superintendent. For a man who has made hygienic science a special study to have his recommendations thwarted by a blockheaded superintendent make the general boss of the coal regions supreme in his realm; but it is little less than a crime against the camp population. For a superintendent to tell a doctor who has made a request for the protection of the health of a neighborhood, "Now, you are knocking me," all but makes one feel they would like to have a virile pugilist handy to place some real knocks.

Here is an example of the way the present plan works: A physician asked the superintendent to have the camp cleaned up, and no time should have been lost in ridding the place of its malady-breeding spots. The doctor was told: "I have no men for that work; let the people clean up their own yards. If you



want the camp cleaned, do it yourself." With his own hands the scavenger alley surface refuse was removed by the petitioner.

As a fruit of such folly, the medical report for all camps and plants for 1912-13 gave 151 cases of typhoid, or nearly 3 a week for the entire year.

For more than a year a cesspool within a few feet of the company store regularly relieved itself by overflowing and running down across the principal thoroughfare of the camp. Both the store manager and his wife had been down with typhoid. This Stygian situation and others almost as offensive were reported to the head of the medical work, and was passed over by a reply to the "kicker"—"Better be careful or you will step on some one's toes."

The mountainous situation of many camps fairly well takes care of the otherwise miserable drainage. The surface debris was allowed to collect so heavily in one camp as to appear as if the place had never been properly cleaned. The closets and public washhouses are permitted to be in degrees of unhealthiness that were it not for the pure mountain air and its unequalled aridity in great abundance sickness and death would run riot.

The water in most of the camps is very good, but there are some notable exceptions. The intake of a water supply from a so-called "mountain stream" was the favorite standing ground for cattle.

Hydrant water at the door was found to be so chemically unfit for general use in one of the smaller camps that pure water, at 30 cents a barrel, was peddled out.

Seepage water from a large mine, with a distinctively dead-rat-essence flavor, was supplied three camps, because it was cheaper than to tap the main pipe line of one of the best water sources in the State—even though this water main ran directly through one of the camps.

By the payment of \$1 per month, deducted from the employee's pay check, he is entitled to free medical service for himself and family at the camp, free hospital treatment for himself, and one-half rate for any member of his family.

The physicians are paid a salary, generally including house rent and coal free. They are to give gratuitous services for all cases, except those of confinement, venereal diseases, and fight bruises. A monthly allowance for drugs of 3 cents per capita is also furnished.

The apportionment for medicine, which they must freely dispense, is entirely inadequate to meet their needs. In one camp the doctor's monthly bill for drugs was \$25 or more, and he was receiving about \$12 for such expense from the company. That would put him nearly \$150 in the hole at the end of the year. This arrearage must either be paid from the doctor's pocket or from the extra money he receives in cases above noted or from neighborhood practice.

By a special order from the head of the medical department at Pueblo, his charges, whether reasonable or extortionate, may be deducted from the employee's pay check.

Presumably for an object lesson for the whole camp a bill for service was collected through the mine office by the company physician when the family had been so bold as to call in a doctor of their own choice, and the father was discharged for being unwilling to pay it. This case was reported to the Denver headquarters and no redress was ever made.

#### THE COLORADO SUPPLY CO.

A chain of 22 retail and 2 wholesale stores, extending from southern Colorado to northern Wyoming, represents the mercantile side of Rockefeller's work in the Rockies.

The development of the bulk of this business from two or three small stores to its present huge dimensions was largely through the genius of one man. A few weeks ago, after having served the company for more than 25 years, he was asked to resign, having previously been compelled to surrender all his stock holdings. The word had gone out from one who stood second only to Rockefeller himself that retrenchment was necessary; and the head of one who had whitened with many winters of arduous service was not to be spared.

Prior to 1910 all but 19 per cent of the stock of the company stores was held by employees. Men who had reached their salary limit, but whom the company wished to show favor, were given the privilege of profit sharing in a business that paid 20 per cent per annum. Bowers called in every "scrap of paper" that represented stock certificates of the store company. No action

that this man performed during his Colorado career was more reprehensible or more impolitic. Only blinded selfishness could reason that store managers and clerks who were drawing good dividends on the work they were advancing draws a salary of \$150 per month, the average amount paid for that position. from the Boston Building.

A manager had paid \$125 for \$100 shares, and borrowed money at 18 per cent to make the purchase.

Here is one of the store manager's plans of not missing the dividends. He draws a salary of \$150 per month, the average amount paid for that position. His work really pays him \$7 a day, i. e., \$60 extra in rake-offs. Chickens are worth 20 cents a pound in the camps; and when his chickens go into the butcher shop 20 cents per pound comes back to him. Cattle can be bought from ranchmen cheaper than dressed beef from Swift or Armour. The ranchman is paid one price and the store company is charged another, etc.

That the business methods of the Colorado Supply Co. in the past few years have been little less arduous than the famous West Virginia mining-camp stores let the following facts attest: One who had served the company for 17 or 18 years, declared if a strike is called the Colorado Supply Co. will be responsible. A man filling one of the highest positions in a local camp received a letter of inquiry, as to why he did not trade at the company store. His reply contained his resignation (not accepted), but that he would trade where he thought best. A local doctor estimated he could only afford to buy 50 per cent of his groceries in camp. Lessees of company hotel buildings did not feel free to buy staple groceries except at the store.

During the strike one store cashier collected over 45 per cent of the mine's pay roll.

The general coal camp boss instructed one superintendent (if not all) to use his influence to have employees trade at the store. A few months ago a young manager asked the wife of a laborer if her husband wished to continue working in that place. If so, their grocery business had better come his way.

A mail-order catalogue from one of the Chicago houses was deposited in an arroyo instead of the hands of the addressee.

Store managers are the postmasters in most places. For years it has been the custom of the Rockefeller stores to give a company draft when a postal order was solicited and charge the United States postal rates. The amount of money the Government has lost by this trickery would take expert accountants many days to foot up.

Since the close of the great strike many "gabfests" have been held, in which the managers have been told a square deal must be given in the future.

Prices in some stores have dropped 10 per cent, and 10 per cent more would still leave a handsome profit for Rockefeller in the mining camp groceries.

#### THE CAMP SALOON.

Only a few years ago the saloon was run in connection with the company store. Bowers divorced such an unholy alliance. Now some of the most prominent and best structures in the camps are used as saloons. In 1908 there were 82 saloons in 25 camps of the Rockefeller mines. Twelve of these saloons operated under lease from the company. In 1913, within a circle of 4 miles diameter, including four camp villages, there were 28 saloons. One of these was on company property and was bringing \$1,500 rent to the credit side of coal production for that camp.

The policy of the company has been to farm out their privilege for these joints to human ghouls, who operate them by the camp marshal's consent, without any regard to the restrictive statutes of the State that would interfere with their business.

At Delagua an officer of the National Guard noticing a saloon open on Sabbath, said to the proprietor, "Do you know of a State law which prohibits keeping saloons open on Sunday?" "Oh, that's all right," replied the liquor vendor. "I am justice of the peace in this town, and we don't pay much attention to such things as State laws."

Sabbath opening is condoned by local officials; selling to minors and drunkards is an offense that is allowed to pass without protest.

A saloon and lodging house, known as the Metropolitan Hotel, in Trinidad, was used as an employment bureau. The manager was an employee of the company, and the stock of liquors on hand was regularly invoiced by their traveling auditor.



The former general office building in Pueblo, afterwards known as the Southern Hotel, was rented as a second-rate lodging house and a tenth-rate barroom annexed.

A lessee of a camp saloon on company property was being credited \$300 a month for advancing cash to erect the building. Terms of the lease required the company to pay him any balance due on the building when the partnership ceased. Some years ago, when times were very hard, this saloon proprietor came forward with cash to assist the company to meet its pay roll.

The "chamber of horrors" which a camp saloon presents after pay day is so pathetic and shameful that it must be seen in order to be fully comprehended.

Men earning \$25 or \$40 a week go home penniless after a gambling and drinking bout in one of these places.

Twice a month the coal production is seriously weakened, while the men squander their hard-earned wages, rob their families of needed clothing and food, and fill the coffers of outlaws, who carry on their traffic with a tacit approval of Rockefeller's officials.

One of the largest saloons on company grounds is run by an Italian, and the sheriff of the county is his silent partner.

That camps can be run better without saloons than with them, experience in the strike zone and more than 10 years' trial in one of their large iron mines has fully proven.

In the face of a vote of over 12,000 majority placing the State ban on the liquor business, several camp saloons were allowed to reopen for one more year's devastation.

The old saw that "Every man is entitled to the fruit of his own labor" is severely dealt with by the camp saloon keeper.

The argument that the company must conduct a high-grade saloon in order to prevent dives from starting up just outside our property line has no weight with those familiar with the conduct of the so-called company protected saloons.

One superintendent justified gambling on the same basis; and all others may be so exculpated.

The one strongest inciting factor that precipitated the bloody struggle of last year was the camp saloon. Here men met and, irrationally inflamed, they planned deeds that no sober or well-balanced mind could entertain.

The saloon leagues of the Colorado collieries are well referred to by Kipling in the nineties:

That bids him flout the law he makes;  
That bids him make the law he flouts;  
Till dazed by many doubts he wakes  
The drumming guns that have no doubts.

#### WEITZEL'S LETTER TO BOWERS CONCERNING CAMP SALOONS.

THE COLORADO FUEL & IRON CO.,  
FUEL DEPARTMENT,  
Pueblo, Colo., October 2, 1908.

MR. L. M. BOWERS,  
Vice President, Denver, Colo.

DEAR SIR: Our recent investigation of the saloon business at the various camps disclosed the following: At 3 camps there are no saloons; at 25 camps there are a total of 82 saloons, of which 12 are located on company land. At camps where saloons are on company land there is in no case more than one, and in no case, except at Starkville, are there any other saloons where one exists on company land. There are seven camps where we own all the land within reasonable distance and no saloon could be started. These camps are as follows: Cornell, Tercio, Primero, Morley, Floresta, Coalbasin, and Marion. At these camps there is now one saloon each, except Cornell. At six of our camps where there is now one saloon each on company ground, there is ground owned by other parties sufficiently close to operate a saloon and derive the same benefit from our men as though the saloon were on our ground. These camps are Starkville, Berwind, Rouse, Cameron, Walsen, and Gulch. In the event of our closing all saloons on company land, there are nine camps where we should provide amusements of some sort to take the place of the saloon as an evening loafing place. These camps are as follows: Tercio, Primero, Morley, Rouse, Cameron, Floresta, Coalbasin, Gulch, and Marion. This is especially true of Floresta and Marion, where there are many of our men living

in shacks and dugouts almost without light or heat, and where there is no place for them to spend their spare time except at the saloon. At these nine camps I would recommend an amusement hall where soft drinks, sandwiches, cigars, and candy be sold, and pool tables or bowling alleys, or both, be put in. The present saloon building could be used for this purpose. The operation of the amusement halls could either be put in charge of the sociological department, or an amusement company could be organized, allowing employees to hold the stock, and be run by a manager under the general direction of the manager of the fuel department. I am satisfied if properly managed this department would be self-sustaining.

At the 12 camps where saloons are on company land, there are four cases where the buildings are owned by the company, and eight cases where they are owned by the saloon keeper. The camps where the company owns the buildings are Tercio, Primero, Walsen, and Coalbasin. The camps where the saloon keeper owns the buildings are Starkville, Morley, Berwin, Cameron, Floresta, Gulch, Rouse, and Marion.

My files show that in only three cases we have a written contract with the saloon keeper. These are Primero, Morley, and Cameron; but I think there is a lease at Tercio. The lease at Primero provides that three days' notice in writing be given the lessee to quit, and if the lessee so elects the lessor agrees to purchase all the furniture, fixtures, improvements, and stock placed on the premises by the lessee, or such part thereof as the lessee may require.

The lease at Morley provides for three days' notice in writing to the lessee to quit, and binds the lessor to pay the lessee the balance due him on the building which has not been previously paid by accrued rent at \$200 per month.

The lease at Cameron provides for 30 days' notice in writing to the lessee to quit, and if such notice is given within two years from date of the lease (Apr. 8, 1908), the lessor agrees to pay for the building, of if the lessee prefers to remove it, the lessor shall pay for the removal. This lease also provides that lessee shall not, without written consent of the lessor, carry on any mercantile business on his land which adjoins the company land. This lease was made for the express purpose of preventing the lessee, Virgil, from starting a store or saloon on his adjoining land, where the company could have no control as to closing hours, etc., and from a purely business standpoint the saloon will do us less harm in its present location than if removed across the line to Virgil's own land.

This also applies to the saloon at Rouse, where the concern operating the saloon have a saloon building idle just outside our land, into which they could move at a day's notice and conduct their business as they see fit. They would no doubt be pleased to receive a notice to quit if they knew no one was to occupy the building on company land, as they could then keep an open house at all times and conduct gambling, which our present restrictions prevent their doing.

It is worthy of note that where the company have been able to control the saloon, there is but one, while at other camps there are from 1 to 11.

Before it is decided to remove the saloons I think it would be well to consider further the cases of Rouse and Cameron, as the circumstances are such that their removal, in my judgment, might work a serious injury to the company.

I inclose herewith a list of camps showing number of saloons at each place and their location.

Yours, very truly,

E. H. WEITZEL.

Camp.	Not on company land.	On company land.	Camp.	Not on company land.	On company land.
Tercio.....		1	Coal Creek.....	3	
Primero.....		1	Rockvale.....	5	
Segundo.....	11		Fremont.....		
Frederick.....	1		Brookside.....	3	
Sopris.....	10		Nonac.....	6	
Starkville.....	9	1	Crested Butte.....	9	
Morley.....		1	Floresta.....		1
Engle.....	5		Coalbasin.....		1
Berwind.....		1	Redstone.....	1	
Tabasco.....	1		Gulch.....		1
Rouse.....		1	Marion.....		1
Cameron.....		1	Cardiff.....	1	
Walsen.....		1			
Pictou.....	5		Total.....	70	12



## COMMENTS ON THE FOREGOING LETTER.

By E. S. Gaddis.

1. There is no truth in the assertion that the absence of camp saloons does not reduce the drinking habit so long as outside saloons are allowed to operate near by. At Tercio men would have had to travel about 5 miles before reaching the confines of company property.

2. The company in furnishing camp saloons makes it easy to debauch and wreck their employees. They assume the personal responsibility for the ruin of some of their otherwise best workmen.

3. Saloons closed during the strike increased the daily tonnage from 10 to 15 per cent.

4. Bowers told me after the strike no company saloon would again be opened if Weitzel would agree that it should be so. Weitzel did not concur with this proposition. Avowedly a temperance man, he permitted one of the worst saloons in Colorado to reopen at Rouse; and this in the face of the fact that 1 mile away, off the company property, this same Italian proprietor was operating another saloon.

5. For several days after pay day where there are camp saloons the superintendents are not expected to produce the normal amount of coal. The men are "blowing in" their hard-earned wages.

6. The camp saloons, supposed to be "controlled" by the company, are allowed to violate every statute of the State that interferes with business. Children are made to "rush the can" in camps in violation of the statute which forbids children to enter a saloon, except with parents.

7. Weitzel has justified Sunday opening to me on the ground if not allowed men would go out of camp and get into trouble. Another superintendent excused gambling, which was robbing men of a large percentage of their wages, on the grounds—the same sort of reasoning may have influenced assistant general manager of fuel department, when we told him of the shameful, brazen actions of a harlot at Segundo; he said: "And I don't give a damn."

8. A pit boss at Primero was allowed to drink so hard that, making over \$100 a month, he kept his family in dire want; finally ran away and deserted his wife. The camp raised a purse and sent the wife and children back to Virginia. Mr. Payne, the proprietor of the joint, was paying a rent of \$1,500 a year on a building that cost the company \$3,000, and, of course, his business must not be interrupted.

9. Welborn stated to the Federal Industrial Commission sitting in Denver in December, 1914: "We rent those places to saloon keepers at a monthly rent which, in the course of 8 or 10 years, would not reimburse us for the original cost of the building plus depreciation and repairs."

10. It is estimated that the drinking miner gives the saloon as high as 30 per cent of his wages at some camps.

11. Dr. W. V. Gage, camp physician at Primero during the strike, has thus committed himself in a written report which Mr. Welborn said ought not to be published at the time it was written, i. e., during the strike: "The very fact, however, that both civil and military authorities have considered it advisable to place whisky out of reach is argument enough regarding its policy as a 'hell raiser.' The ban was first placed upon whisky; the delivery of arms was looked upon as a secondary matter. As camp surgeon, I have become satisfied that a debatable portion of mine accidents are due because of recent or remote alcoholic indulgence." Dr. Gage informed me that accidents decreased about 50 per cent at Primero while the saloon was closed. In our report to the officials for May, 1914, we said: "In the name of a long-suffering God and for the good of innocent wives and children, which the saloon robs and ruins, we plead for saloonless camps."

12. Money for saloon purposes in C. F. & I. camps is an easy and large source of income.

#### E. S. GADDIS ON THE PRESENT STATUS OF THE SALOON SITUATION IN EIGHT CAMPS OF THE TRINIDAD DISTRICT.

SEPTEMBER 22, 1913.

*Primero.*—Population, 700. Building and grounds owned by C. F. & I. Co. The "only social center for the camp." On Sabbath, September 21, the back door of this place was open and men were passing in and out. The nude pic-

tures of women that decorate the walls of this are said to be making the proprietor a rich man. Some of the pitiful results of the work of this place have come under our personal notice.

*Segundo.*—Population, 1,000. Nine saloons not situated on C. F. & I. ground. Old town has 15 saloons, making 24 for this territory.

*Tercio.*—Has one saloon; building and ground owned by C. F. & I. Co. No other rendezvous for social purposes. A Sabbath baseball excursion party at this camp a few weeks ago secured sufficient liquor to add drunkenness to their desecration of the Lord's day.

*Valdez.*—Population, 400. Has three saloons not on C. F. & I. property. The State statutes on week-day closing hours; the Sabbath law, which requires closing from 12 o'clock Saturday night until 6 o'clock Monday morning, are undoubtedly violated with impunity. The marshals of the C. F. & I. should be compelled to cause a wholesome respect for law.

*Sopris.*—Population, 1,000, with 85 per cent Italian. Has 18 saloons, or 1 for every 17 of the male population. On general principles we aver the statement that they are violators of the laws made to control them.

*Starckville.*—Population, 1,400. Has 12 saloons. Selling to minors should be strictly prohibited in all camps, both closed and open. The custom of small children rushing the can for the parents is an open and flagrant violation of the State statute; can only result in harm to the child.

*Morley.*—Population, 597. One saloon building, one of the best in camp, owned by the C. F. & I. Co. We are quite sure if those operating this place will be made to respect the State laws great good will result to the unfortunate habitués.

*Berwind.*—Population, 650. Two saloons not on company territory. The only comfortable place for men to lounge.

*Tabasco.*—Has one saloon, with a population of 550. The owner, Mr. Cox, is reputed to receive \$250 per month for the building. The operator of this place has been frank enough to say that if the laws were enforced it would put him out of business. The C. F. & I. are responsible.

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GADDIS'S REPORT TO BOWERS CONCERNING FORCED SABBATH LABOR, ETC.

[The Colorado Fuel & Iron Co., Minnequa Hospital, Pueblo, Colo. R. W. Corwin, M. D., chief surgeon.]

MR. L. M. BOWERS,

*Chairman Executive Board, Colorado Fuel & Iron Co.*

DEAR SIR: The charge against large corporations that where their wealth is produced there is the least evidence of it in the way of improvements should be removed. It is an axiom in social work that whatever helps the environment of the man is calculated to raise him in the scale of labor. Permit me to present to you some needed progressive moves from the viewpoint of the chaplain.

*Primero.*—A social settlement house is very much needed in this camp. The plans and specifications we have presented to you. The hotel should be enlarged and steam heated throughout. The nude pictures in the saloon building should be removed and the proprietor made to observe the laws of the State in the management of his place. If saloons are a camp necessity, it would be infinitely better for the company to hire a man to run them under strict rules than to farm out the privilege to human ghouls, who grow rich on the weakness of their unfortunate brother.

*Segundo.*—A social settlement house at this camp will meet a long-felt want. The present one is entirely inadequate for the situation. Steam heat for the hotel bedrooms will make it possible for men to enjoy their rooms in severe weather and also help to keep them from the liquor vampires, who will have their places well warmed and lighted for their customers.

*Tercio.*—More than six months ago a chapel was promised this camp. There is a very general wish that it might soon be completed. The public school hall is hard to reach, impossible to heat properly in very cold weather, and is so much used for other purposes as almost to destroy the good influences which should be cultivated when public worship of God is sought. The people have a fund ready to use in furnishing the chapel. A new hotel building is much needed in this camp. The hotel in Tercio is a paying institution, and if a modern building heated with steam in all the rooms would be erected it would be well patronized. A social settlement house as a substitute for the saloon is



in demand. We earnestly recommend that Tercio be made an experiment camp with no saloon. We believe that one such camp at least in each district will prove beyond doubt that it will be one of the best producers, and be filled with families who wish to raise their children under conditions which can not prevail where the saloon is allowed a free hand. Juanita camp, on the western slope, has been without a saloon for about 10 years and is filled with the best workmen of that district.

*Frederick.*—A social settlement house with large hall is very much desired by those who live here. The Knights of Pythias have agreed to rent such a hall as soon as constructed. Other societies would also like the same accommodation. There is no place in this camp for men to gather except the saloon. All the barber shops are in connection with saloons. The young men are being injured under these bad conditions. A chapel for the exclusive worship of God is the wish of the people of this community.

*Sopris.*—There are four camps or villages in this neighborhood and no Protestant church building; only one Sunday school at Sopris. A chapel is one of the most urgent needs of this camp. A social settlement house and a new steam-heated hotel will prove paying investments from the very first. An Italian deaconess to work among the people of her own race, teaching them how to live in this world and to prepare for the world to come, would be a boon to these now very degraded families. The chaplain could use such a worker as an interpreter in preaching and otherwise. The most crying need of all foreigners in the mining camps is the grace of God and the salvation of Jesus Christ.

*Starkville.*—A social settlement house for this village will do more to stop the wreckage of the present undisputed sway of the saloon than almost anything else. A hotel building controlled by the company would meet a needy situation, and also be a paying enterprise.

*Morley.*—A chapel for this camp will relieve those who wish to attend church from meeting in the hall where dances are regularly given. Steam heat in the hotel bedrooms is very greatly needed, and a social settlement house.

*Berwind.*—In normal conditions this canyon has a population of about 2,500 people. The only Protestant church building is a shack used by the colored people. A chapel would do much to tone up the low normal type of life, which is in the ascendancy. A social settlement house with a large hall will meet the needs of this place. Steam heat in the hotel bedrooms will afford comfort for the lodgers. The Saturday night dances should not be permitted to continue until 4 o'clock Sabbath morning. This order should be enforced in all the camps.

*Walsen.*—A chapel and a social settlement house will meet a need which is made evident by the recent strike trouble. Men and their families can then be properly cared for inside the company line.

*Cameron.*—A chapel and social settlement house for this growing, prosperous camp will give an equipment that will prove to the miner the company has his highest good in mind.

*Rouse-Lester.*—Chapel and social settlement for this large camp will make those who live there much more contented, as well as more efficient as employees.

#### GENERAL NOTES.

Many of the miners have told me they did not wish to labor on the Sabbath day. They are forced to do so under threat of discharge or loss of good place in the mines. The foreigners in some of the camps report under such orders on Sunday and lay off on Monday. There is a disregard of the holy Sabbath which is very deplorable. It could be easily remedied. This would give the hard-worked miner a rest of his body and a chance to cultivate the religious nature.

The box-car shacks in many of the camps are unfit for the habitation of human beings and should be taken down.

Coke braize in the camps for both sidewalks and wagon roads would do much to prevent the very muddy passageways now so frequent to contend with. The water at Sopris, especially in the summer season, is so full of sediment as to be unfit for use without a filter or other processes.

## LETTER FROM CAMP ROUSE ON SALE OF LIQUOR TO MINORS:

ROUSE, COLO., *January 30, 1915.*

Mr. E. S. GADDIS,  
*Trinidad, Colo.*

DEAR SIR: I have your letter of January 26 regarding exhibit and will have same in your hands by March 1. Also, I will arrange to make some change in the financial end of the Sunday school, as you suggest.

I would like to call your attention to the fact that our State law regarding the sale of tobacco to minors is being violated by the Colorado Supply Co. here. I have seen the clerks sell tobacco to boys under 16 several times without a written order from the parent. The law is found in the Colorado Revised Statutes, 1908, section 601. If you could take this up with the official heads, great good would be done, I am sure.

Another very bad feature is the way Mauro permits young boys under age to frequent his saloon and even to drink, and I have seen several young fellows not more than 16 years drinking liquor in the saloon. This ought to be stopped at once, as it is corrupting the boys a great deal faster than all the other interests can benefit them.

A certain person suggested that I report these conditions to you, instead of protesting to Mr. Wilson or Mr. Mauro, as you could bring some influence to bear from higher up.

Please consider this letter as confidential, as I am so placed that I have to depend upon these people for many favors and conveniences, and they could make it very unpleasant for me if they chose to do so.

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NOTE.—We notified Mr. Kellogg, an official of the Colorado Supply Co. at Denver, that Rouse store was illegally selling tobacco to minors. He sent me a copy of his letter to the store manager of that camp, in which he informed him that such transactions should be stopped.—E. S. Gaddis.

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GADDIS'S LETTER TO WEITZEL AND WEITZEL'S REPLY CONCERNING SALE OF LIQUOR TO MINORS AT ROUSE.

FEBRUARY 3, 1915.

Mr. E. H. WEITZEL,  
*Gen. Mgr. Fuel Dept., C. F. & I. Co., Pueblo, Colo.*

DEAR SIR: Mauro, the Rouse saloon keeper, not only permits boys at the age of 16 to frequent his damnation shop, but actually sells them intoxicating liquor. From what I observed on a recent visit to that camp, I can not doubt but that he is selling hell in solution on the Sabbath day. "And if it shall appear that a person or persons not employed in and about the business as aforesaid shall be permitted to remain in the said saloon or other place or places aforesaid, such fact shall be prima facie evidence in favor of the guilt of the accused party or parties." This quotation makes the presence of persons in a saloon a violation of the law.

A word from you will stop this outrage upon the boys of the camp; also protect the holy Sabbath.

Cordially, yours,

E. S. GADDIS.

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THE COLORADO FUEL & IRON CO., FUEL DEPARTMENT,  
*Pueblo, Colo., February 4, 1915.*

Mr. E. S. GADDIS,  
*Trinidad, Colo.*

DEAR SIR: I have your letter of February 3 in regard to matters at the Rouse saloon.

If you can furnish evidence to support your statements, I will be glad to enter complaint in the district attorney's office against this man. Please advise what your evidence is.

Yours, truly,

E. H. WEITZEL.



E. S. GADDIS'S COMMENTS ON WEITZEL'S ANSWER ON SALE OF LIQUOR TO MINORS  
AT ROUSE.

1. For me to have given names of my informants to Weitzel would have probably effected their discharge.

2. The use of telephone from the office of the general manager of the fuel department would have secured more "evidence to support (our) statements" than he would have known what to do with.

3. Mauro, the proprietor, was taken on an auto trip to Ideal and presented as a "leading man" of that whole community, Weitzel, Matteson, and Griffith (the mediator) being his sponsors. He is the treasurer of the local school board, which puts camp approval upon him and his murder mill.

## BOWER'S LETTER TO GADDIS ON EXCLUSIVE RELIGIOUS RIGHTS AT SUNRISE, WYO.

THE COLORADO FUEL & IRON CO.,  
Denver, Colo., January 9, 1915.

DEAR MR. GADDIS: Your favor of the 8th is at hand. In regard to other than the Presbyterian denomination using the church at Sunrise, allow me to say that before the church was built the Methodists had an organization and occupied the hall on Sundays. They failed completely at Sunrise and gave it up, although I undertook to arrange with them to hold the location.

The Presbyterians applied for the privilege of reopening the services and starting a Sunday school in the hall, which was granted; and they made a success of the enterprise to the extent that we built the church for them, which is a Presbyterian church, and one-half of the pastor's salary has been paid by the board in New York City, with the understanding that we would not build or permit to be built another church at Sunrise unless the town became very much larger and two denominations were needed.

I believe the elders are right in their refusal to allow any other denomination to occupy the church as long as the home mission board in New York is backing the undertaking.

You see it is different than if the church was self-supporting, in which case it would be a matter for the church officials to pass upon.

The hall which used to be used for church services, and is now, I think, used by the Catholics, could be secured, I presume, by any other denomination wishing to hold services there, but I would not be inclined to encourage such a move.

In regard to a conference with you, I will say that it is impossible, as I am to return to New York at once. Hereafter please address all communications intended for this office to President Welborn.

Yours, very truly,

L. M. BOWERS.

Rev. E. S. GADDIS,  
Care of Colorado Fuel & Iron Co., Trinidad, Colo.

## SCHENCK'S QUESTIONNAIRE AND REPLIES BY GADDIS.

THE COLORADO FUEL & IRON CO.,  
OFFICE OF CHAPLAIN,  
Trinidad, Colo., May 19, 1914.

Mr. C. M. SCHENCK,  
President Colorado Supply Co., Denver, Colo.

MY DEAR SIR: In answering your list of questions, I beg to submit the following, referring to the following extracts from an article by W. T. Davis in the Outlook of May 9, 1914, on "The conditions in the strike region," which, for convenience in answering, I have numbered and paraphrased:

1. "From Tabasco the nearest railway is 2½ miles from the station. At half-mile intervals up the gorge are Berwind and Tollerburg." Are these distances approximately correct?

Answer. Yes; they are.

2. "It is 25 miles to a flower, a tree (save the scrub piñon high up in the hills), a lawn, a park, a yard, or a running stream. The same distance must be traveled to purchase a newspaper, to attend a play, or to enjoy access to a reading room." What is the distance from Berwind to Trinidad; and how about his other statements?

Answer. From Berwind to Trinidad is about 16 miles. One of the prettiest camp flower yards I have ever seen was in Berwind last summer. There are at least 30 English daily papers taken at Berwind, the same number at Tabasco, besides numerous daily and weekly foreign papers. The Saturday Evening Post is sold by boy carriers in both camps each week. Except in dry season there is a running stream through Tollerburg, Berwind, and Tabasco.

3. "There is only one place of public resort, the saloon. Once a month a traveling evangelist or a Jesuit missionary visits the camp for a day and returns to his headquarters. Occasionally an itinerant moving-picture man gives a show in the schoolhouse." Are these the facts? If not, what are the facts?

Answer. Sabbath school is held every week unless prevented by storms, strikers, etc.; public worship and preaching service is held about once a month. A weekly motion-picture show is well attended at the Berwind schoolhouse. The saloon and the store are the two public lounging places.

4. "The houses provided by the companies are nearly all shabby, ugly, and small. There are some houses with four rooms, even a few with five, but houses of two or three rooms are far more numerous." How many company houses are there in Tabasco of each, five, four, three, and two rooms? And how many of each in Berwind?

Answer. There are 95 houses at Berwind; 35 of these are cement and 60 frame; well-built and neat-looking cottages. The number of rooms in each house is about as follows (these figures were received by phone, and I am not certain of them): Three six-room houses, 3 five-room houses, 2 three-room houses, 1 two-room house, about 80 four-room houses. I was unable to get figures on the house situation at Tabasco. There are some old shacks in Berwind that should be immediately taken down. They are unfit for human habitation and make a very bad impression on visitors.

5. "There is absolutely no sanitation worthy of the name. Refuse from kitchen, sick chamber, laundry room, and stable is dumped promiscuously in and near the camp." To what extent is this true of Tabasco and also Berwind?

Answer. The charge Mr. Davis makes here, I regret to say, is very near the truth, so far as Berwind and Tabasco are concerned. I know of no camp where such generally insanitary conditions prevail. I have reported these conditions somewhat in detail to the surgeon general. Drastic action is needed to relieve this very bad situation.

6. "Company wagons peddle it (water) to the people, selling it at 25 cents per barrel." Is this true of either Tabasco or Berwind?

Answer. It is not true of either of these camps, but water is sold by the barrel at Camp Lester.

7. "Contagious and infectious diseases are unusually prevalent." How about this?

Answer. Typhoid and scarlet fever are common; other contagious diseases are rare.

8. "The State laws for the protection of men's lives are disregarded by both employer and employee. The law provides that men may choose their checkweighman, and that they shall not be forced into purchasing supplies from company stores. These and other laws regulating mining are constantly ignored." Do you know of a single instance where an employee of the C. F. & I. Co. was forced in purchasing supplies from a Colorado Supply Co. store at Tabasco, Berwind, or elsewhere? If so, give full particulars.

Answer. Some miners claim it was equivalent to being "canned" to ask for a checkweighman; I have never tried to prove their charge. Several miners have informed me they were told under threat of discharge to patronize the company store only. I have never tried to verify their statement. I have been credibly informed that miners insist on breaking the State laws which make "safety-first" action imperative.

9. "The land in the villages is all owned by the company. In every village the company owns at least one building which is used as a saloon. The saloons are farmed out to men who prove, in most instances, to be the very worst of characters." Just where in Tabasco and just where in Berwind is



is there a saloon on ground owned or controlled by either the C. F. & I. Co. or the Colorado Supply Co.; and in each instance how long has the saloon been running?

Answer. The saloon for Berwind and Tabasco is not on company ground. It is owned by Joe Cox, who is said to receive \$250 per month for the rent of the building. In the following camps the building and lands are owned by the C. F. & I. Co.: Primero, Tercio, Valdez, Morley, Walsen, Gulch, Lime. At Rouse the building is owned by the saloon operator, but the ground is the property of the C. F. & I. Co. I know of no greater curse than the average camp saloon; its continuance is unnecessary; its utter annihilation would bring great blessing and relief to the camps.

10. "In nearly all these towns the people are deprived of any participation in the affairs of their own little public." To what extent is this true at Tabasco and to what extent at Berwind?

Answer. Building improvements in closed camps are for good reasons not made a public concern. American citizens can exercise the right of franchise at Berwind and Tabasco and all other camps.

11. "The ordinary educational facilities of civilized communities are either defective or wanting in mining communities. However, of all the schools in the mining villages only one, so far as the writer could learn, does as high as eighth-grade work." Is this true at Tabasco and Berwind? If not, how many pupils completed the eighth-grade work in Tabasco and Berwind schools during the year ended June 30, 1913? Who are the present teachers in this school, and what qualifications has each for the position held?

Answer. All the C. F. & I. camps have furnished eighth-grade graduates; all of the schools do not have such graduates each year. For instance, in 1912 Berwind and Tabasco had three such graduates; in 1913, none; in 1914, six eighth-grade graduates. These figures were kindly furnished me by the county superintendent. For further refutation of Mr. Davis's very inaccurate statement see inclosed letters from the two county superintendents.<sup>1</sup> The teaching force at Berwind and Tabasco schools last year were the two Misses Wiles, Miss MacDougal, and Miss Ciarns. They all hold first-grade certificates, which is the highest qualification given to a teacher, except a normal diploma. The first-grade certificate is good for three years and may be renewed for the same length of time without examination.

12. "Facilities for instruction and inspiration in matters pertaining to private and social ethics are very meager indeed." What have you to say to this, in so far as it applies to Tabasco and Berwind?

Answer. See reply to question No. 3. Furthermore, I must agree with Mr. Davis that "matters pertaining to private and social ethics are very meager." I would suggest that a competent man, whose name I can furnish on application, go from camp to camp, forming classes of English for the foreigners, giving them public instruction on sanitary lines, and teaching them the requisite fundamentals of patriotism and good citizenship.

13. What is your full name, age, occupation, and present place of residence?

Answer. Eugene S. Gaddis, minister of the gospel in the Methodist Episcopal Church; present occupation, superintendent of religious and social welfare work for C. F. & I. Co.

14. How long have you lived in Colorado and how long in the Tabasco and Berwind community?

Answer. One year.

15. Have I your permission to use your answers in any such matter as I may see fit to use them?

Answer. You have full permission to use all answers to the questions herein submitted. I do not wish you to make public use of my name, or reference to my office in such a way as to make me appear an open antagonist of the strikers' cause. To take such a course at this time is simply to invite personal violence, and jeopardize possible usefulness among them in the future.

Cordially, yours,

EUGENE S. GADDIS.

<sup>1</sup> Not furnished.

EXCERPTS FROM DR. MACLEOD'S ARTICLE IN CHURCH CHIMES, ISSUED AT PUEBLO  
OCTOBER, 1913.

[Church Chimes. Official organ and monthly interchurch news-letter of the synod of Colorado. M. H. MacLeod, editor 1024 East Eighth Street. Vol. X, No. 10. Pueblo, Colo. October, 1913.]

COLORADO COAL-CAMPS CAMPAIGN—CONDUCTED UNDER THE AUSPICES OF THE PRESBYTERY OF PUEBLO BY THE IMMIGRATION DEPARTMENT OF THE BOARD OF HOME MISSIONS—A MISSION TO THE IMMIGRANTS IN SOME OF THE MINING CAMPS OF THE SOUTHERN COLORADO COAL FIELD.

The movement under review in these paragraphs is referred to in the New York office of the board of home missions as the Colorado expedition. But locally it is more popularly known as the Colorado coal-camps campaign. It shall be so named in this review and survey. An official report, or general bulletin, covering the activities and findings of the campaign will be issued by the immigration department of the board of home missions. In response to insistent inquiries as to present conditions in the coal camps, I advance these preliminary presentations. They are purely personal impressions and unofficial observations.

The scenes of the summer activities here reviewed are at present included in the zone affected by the miners' strike called September 23. This facts lends weight to a desire for immediate light on the results of the inquiry, examination, and investigation recently made. And the further fact that "the immigrant" is a vital topic in a home-mission-week (Nov. 16-23) program justifies the preparation and presentation of any material bearing upon a study of that subject in its local setting.

The Colorado coal-camps campaign had its genesis in appeals made in the fall of 1912 by the presbytery of Pueblo to the immigration department of the board of home missions for a specific mission to the increasing population of alien immigrants within its bounds. These appeals were cordially and speedily granted. Early in the summer of 1913 the campaign was under way on the field. An intensive, not an extensive, policy was committed to it.

The field chosen for its service was the southern Colorado coal camps, the most extensive and most widely operated coal area in the State. This lies in contiguous parts of Las Animas and Huerfano Counties. Forty or fifty individual coal camps, ranging in population from 250 to 1,500 are located and maintained in a scope of country less than 50 miles square. The term "camp" is sometimes a misnomer. An apology for the common, but often erroneous, use of it will be made later. The individual mines in operation outnumber the individual camps. In many camps two or more mines may be found open and in operation. In these mines about 10,000 miners are employed. These camps have an aggregate immigrant population of 25,000. This constituency is distinctly dependent upon the mining and coking activities.

It may be relevant at the outset to note that mining and coking activities in Colorado made recent rapid advances both in the number of men employed and in the amount of coal produced. Accurate available figures prove the truth of this proposition. In the year 1900 there were 7,459 men employed, but by the year 1910 the number of miners had increased to 15,864. The amount of coal produced in the same decade increased from 5,244,364 tons in 1900 to 11,873,730 tons in 1910.

The bulk of this growth has been in the southern Colorado coal field. These figures are not only a history, but also a prophecy. We may confidently expect the ratio of growth to increase. The material supply is inexhaustible. The industrial demands upon it are multiplying. The problem that this situation thrusts upon us to-day is but an earnest of a problem to abide with us for ages. If it were ephemeral, we might be persuaded to ignore it.

Another point germane to our consideration is the fact that the increased army of employees will be recruits from the type of aliens, nationally referred to as the new immigration. The demand for this body of labor will not be supplied by the American. Neither does this occupation, hazardous and mental, longer appeal to the older stock of foreigners. Our observation of the coal camps situated in Colorado has extended over a period long enough to witness the retreat of the remnant of an old type of immigrants before the steady advance of the increasing army of the new immigration. We know its effects upon our industries. We may view with alarm what is to be its effects upon our institutions, upon our morals, and upon our religion.



Pardon me if I now call to mind the days of my first acquaintance with the coal camps within the bounds of the presbytery of Pueblo. In those days we had a number of Presbyterian churches in the mining sections. Our coal-mines constituency was not neglected. But in those days that coal-mines constituency consisted of English, Scotch, Welsh, and Irish—immigrants in a sense, but an immigrant class akin to ourselves in blood and speech. I recall the time when less than one-fifth the coal-camps population was of foreign complexion and strange tongue. Since then the alien immigrant in increasing numbers took the places of our former acquaintances in these industrial centers.

The character of this immigrant constituency of our coal camps is widely diversified as to nationalities. On the pay roll of some individual mines as many as 20 nationalities are represented. It is obvious that in all the camps 40 or 45 different nationalities are to be dealt with. Italians are in the plurality and are strongly in the majority in the coking camps. Slavs (the cognate divisions are many) are next in numerical strength. Austrians and Hungarians follow. Russians and Greeks have their quota. Roumanians and Lithuanians are represented. The minor lists of non-English-speaking peoples are many and may be omitted.

Passing from a recital of what the campaign corps gave to, or left with, these communities, I come to an inquiry as to what it found as a prevailing religious situation. What types of permanent ministry is the evangelical churches giving these immigrant communities? That answer is: None; absolutely none. This may appear as a terrible indictment of our Christian churches. It brings us face to face with a condition which we should count impossible.

I am not including the Roman Catholic church in my enumeration. It has a number of organizations and several edifices. The organizations are weak and the buildings unpretentious. But apart from that a half a hundred coal camps in southern Colorado may be searched in vain for a church organization in which the immigrant is a unit, or for a church building to whose services he is invited. Indeed, with few exceptions, Americans and aliens are alike criminally neglected by the Christian churches.

#### COLORADO FUEL & IRON CO.'S CAMP PHYSICIANS' REPORT TO THE SURGEON GENERAL DURING THE SUMMER OF 1914.

*Circular letter to the camp physicians from the Surgeon General, Dr. R. W. Corwin, at Pueblo, Colo.:*

DEAR DOCTOR: I am desirous of learning more about the welfare of the camps.

##### 1. ABOUT THE SALOON.

- a. Have you a saloon or saloons in your camp?
- b. Where located?
- c. Who owns the ground and building?
- d. Has the company control of, or equity in, the ground, building, or management?
- e. Give any additional information regarding the saloon problem.

##### 2. SCHOOL.

- a. What grades are taught?
- b. How many teachers?
- c. What certificates do they hold?
- d. How well are the teachers qualified for their work?
- e. How many rooms, and number of pupils in each?
- f. What do the teachers do indirectly for the pupils; i. e., assistance or amusements outside of required school work?
- g. Any further information regarding school?

##### 3. AMUSEMENTS.

- a. What is done for the amusement or entertainment of the people?
- b. Is there no place but the saloon for the men to congregate?
- c. Any further information?

## 4. RELIGIOUS WORK.

- a. Have you a church or churches? If so, kind and how many?
- b. Sunday school, how often?
- c. Where do they hold exercises?

## 5. SANITATION.

- a. General condition.
- b. What disposition of house refuse.
- c. What are the water-closet arrangements?
- d. How well are these cared for?
- e. What is the source and condition of the drinking water?
- f. What is the source of the food supply and how good are the sanitary precautions?

## 6. HOUSES.

- a. How many two-room buildings? Condition?
  - b. How many three-room buildings? Condition?
  - c. How many four-room buildings? Condition?
  - d. How many five-room buildings? Condition?
  - e. How many buildings unfit for occupancy?
- What improvements are being made?  
 What improvements do you recommend?  
 I wish a frank, unprejudiced, and conscientious statement that will stand the test or criticism by friend and foe.  
 I trust you appreciate why I am asking these questions at this time. I know it is a tax upon your time, but we need the information. I wish it by July 1.  
 Very sincerely,

R. W. CORWIN.

## PRIMERO CAMP PHYSICIAN'S REPORT.

JUNE 27, 1914.

Dr. R. W. CORWIN, CHIEF SURGEON,  
*Pueblo, Colo.*

DEAR DOCTOR: Replying to yours of the 15th, relative to camp conditions generally, would say as to—

## 1. SALOONS.

- a. Yes.
- b. Three hundred feet from school.
- c. C. F. & I. Co.
- d. Do not know.
- e. Whole camp better off morally, mentally, physically, and financially since saloon closed.

## 2. SCHOOL.

- a. Eight grades.
- b. Three.
- c. Miss Hughes; New York State and county. Miss Ring and Miss Murphy; county certificates.
- d. Miss Hughes and Miss Ring are well qualified, but I think Miss Murphy's mental condition should be looked into before she is given work next year.
- e. Three rooms and about 85 pupils.
- f. All put in quite an amount of time, besides investing their own money on school entertainment.
- g. Opportunity for work above the eighth grade should be given pupils.

## 3. AMUSEMENTS.

- a. Nothing except moving pictures.
- b. No.

## 4. RELIGIOUS.

- a. One church, used by both Protestants and Catholics.
- b. At irregular intervals, from 6 to 40.
- c. Each Sunday.
- d. In the church.



## 5. SANITATION.

a. Strictly speaking, there are no sanitary measures. Ashes are hauled away and lime sprinkled in the closets.

b. Taken with the ashes, if convenient.

c. Vaults are filled when full, and new ones dug.

d. As stated.

e. River. Good when filtered, but process too slow.

f. No store neat. No knowledge of sanitation.

The mine office has promised me an answer to your sixth question and same will be sent with this.

To further explain some of the answers upon the first sheet, will say as to sanitation: I believe that a clean camp would be more than welcome, but up to now work in a sanitary way has been about as successful as the preparation of a patient for an abdominal operation would be in the hands of the cheapest man the camp could find to do the work.

I wish to call your attention to the fact that, in spite of primitive sanitary measures and a doubtful water supply, there have been but two cases of typhoid in four years, and only one serious epidemic, i. e., scarlet fever.

The store gets a portion of its meat from the ranches north of the camp, and same is purchased without knowledge as to health of the animal killed. I believe that some of the ranchers would consider it a huge joke to sell diseased beef to the Colorado Supply Co., and besides this there is the diseased carcass sold innocently.

As to Miss Murphy, several times while here she showed very peculiar mental symptoms, including loss of memory for events over short periods of time. Her family history shows two or more cases of insanity.

Houses: We have 44 houses vacant at this time, of which 27 need plastering badly; 15 are in good condition, and 2 in fair condition; the houses that are occupied are in good shape. There are two-room houses, none; three-room houses, 43; four-room houses, 105; five-room houses, 1; six-room houses, 19; seven-room houses, 1.

Faithfully, yours,

W. V. GAGE.

## SEGUNDO CAMP PHYSICIAN'S REPORT.

JUNE, 1914.

## 1. ABOUT THE SALOON.

a. Have you a saloon or saloons in your camp? Yes.

8. Where located? Four in Frederick; three across the track from the store, 200 yards from same; one located in the shacks; four between Segundo and Frederick, on the other side of railroad track; four between Segundo and Frederick, on same side of railroad track as camp; seven in Old Town, on county road, within a radius of 300 yards of the company washers.

c. Who owns the ground and building? 1. Frank Oreka, owner of saloon and building. 2. Putaturo Bros., owner of saloon; Pells Brewing Co., owner of building. 3. B. Sarracino, owner of saloon and building. 4. Phillip Zanoni, owner of saloon; C. F. & I. Co., owner of building. 5. Sam Barranco, owner of saloon and building. 6. Angelo Glorioso, owner of saloon and building. 7. Nick Ringo, owner of saloon and building. 8. Frank Maino, owner of saloon and building. 9. Phillip Maura, owner of saloon and building. 10. Jim Gatto, owner of saloon; Tony Dambrosia, owner of building. 11. Lorenzi, owner of saloon; Coccimiglio, owner of building. 12. Frank Alishio, owner of saloon and building. 13. Pinemonti, owner of saloon and building. 14. Slavish man, owner of saloon; R. E. Lee estate, owner of building. 15. Joe Manino, owner of saloon and building. 16. Fred Forte, owner of saloon and building. 17. Joe Pedri, owner of saloon and building. 18. A. Gargaro & Son, owner of saloon and building. 19. Joe Pelligrini, owner of saloon and building.

d. Has the company control of or equity the ground, building, or management? Yes; in one located in the shacks at Frederick. Since the soldiers have arrived and closed the saloons the license in this one has expired and fixtures removed from building.

e. Give additional information regarding the saloon problem. Too many saloons for the number of people working. Some saloon men resort to irregular methods to get trade and all will sell liquor to habitual drunkards and minors.

## 2. SCHOOL.

- a. What grades are taught? Segundo, eight; Frederick, five; Old Town, five.
- b. How many teachers? Segundo, three; Frederick, one; Old Town, one.
- c. What certificates do they hold? I don't know; will let you know later.
- d. How well are the teachers qualified for their work? Very well.
- e. How many rooms and number of pupils in each? Segundo, 3 rooms; primary 43, intermediate 30, to eighth grade, 10; Frederick, 1 room, 61 pupils; Old Town, 1 room, 59 pupils.
- f. What do the teachers do indirectly for the pupils—that is, assistance or amusements outside of required school work? Encourage outdoor games, basket ball for girls and baseball for boys, take an active interest in all entertainments, and instruct the pupils in cleanliness of body, dress, and homes.
- g. Any further information regarding schools? The teachers in Old Town and Frederick have too many pupils and too many grades to do justice to all the pupils.

## 3. AMUSEMENTS.

- a. What is done for the amusement or entertainment of the people? Moving pictures, one show per week; a dance about every two weeks, and a Mexican dance about every two weeks; a clubhouse with two pool tables, a shower bath, and a barber; Christmas entertainment given by pupils.
- b. Is there no place but the saloon for the men to congregate? No other except the clubhouse.
- c. Any further information? A number of Italians play a ball game in the camp, and the losers of the game buy a bucket of beer. Since saloons have been closed they get a case of pop and seem to be as well satisfied. Baseball in Segundo is not much of a game; no desirable grounds to play on, and the saloons interfere with the efficiency of the players.

## 4. RELIGIOUS WORK.

- a. Have you a church or churches? If so, kind and how many? One Catholic church in Old Town.
- b. Church services how often and number attending? In Catholic church once a month, don't know number attending; twice a month, 20 or 30.
- c. Sunday school how often? Each Sunday; Segundo, 40; Frederick, 25.
- d. Where do they hold exercises? In the schoolhouse.

## 5. SANITATION.

- a. General conditions? Fairly good.
- b. What disposition of house refuse? Put in garbage boxes and taken up weekly and dumped outside the town.
- c. What is the water-closet arrangement? Wooden buildings over a pit. A new pit made and building moved when necessary. Chloride of lime used freely about once a month; oftener during the warm weather.
- d. How well are those cared for? About one-half of them are kept clean and doors closed; the rest are somewhat neglected.
- e. What is the source and condition of the drinking water? North Lake; excellent.
- f. What is the source of the food supply and what are the sanitary precautions? Meats are bought at the store and some vegetables. Sanitary precautions excellent. A number of vegetables come from ranches on the river. Sanitary precautions O. K.

## 6. HOUSES IN FREDERICK.

- a. How many two-room buildings? Condition? None.
- b. How many three-room buildings? Condition? None.
- c. How many four-room buildings? Condition? Forty-four; five 4-room terraces. Condition, fairly good.
- d. How many five-room buildings? None. Two 6-room and one 12-room buildings; seventy-three 1-room shacks and two 2-room shacks.
- e. How many buildings unfit for occupancy? The shacks are car roof, 1 by 12 inch timber, stripped; tar paper on the outside; were put up for batchers, but on account of not having enough houses a number of the families occupy shacks. These are not fit for families or children.



## HOUSES IN SEGUNDO.

- a. How many buildings unfit for occupancy? None.
- b. How many three-room buildings? Condition? Sixty-five 3-room; average.
- c. How many four-room buildings? Condition? Forty-six 4-room buildings; average.

d. How many five-room buildings? Condition? None. Fifteen 6-room houses in Segundo; condition good.

What improvements are being made? They are contemplating putting in steam heat and a number of shower baths in the hotel.

What improvements do you recommend?

1. Saloons: Cut down number of saloons and no liquor sold to habitual drunkards or minors.

2. School: Another teacher in Frederick and another in Old Town. Monthly meetings for teachers to discuss the camp school and adoption of a system best suited for camp children.

3. Amusements: A larger and better equipped clubhouse. More pool tables, reading room with papers, magazines, and games; perhaps a bowling alley. Ice cream and soft drinks. This would be self-supporting.

4. Church: Services every Sunday regularly in the morning at Segundo. In the evening at Frederick. In one or two years' time a congregation large enough to almost support a minister would be realized.

5. Sanitation: Closed metal garbage cans for scraps from the tables and kitchen and gathered up daily. Somebody could be found who would gather this and keep cans clean for the scraps obtained. The wooden boxes could be used for ashes and anything that would not breed flies. Doors of water-closets positively kept closed, and closets scrubbed once a week.

6. Houses: More houses in Frederick to house employees so that men with families would not have to live in a shack. Better if there were no shacks. The company has been holding out for a dirty house and broken windowpanes enough to have houses scrubbed and windowpanes put in.

Would recommend that enough be held out to calcimine, scrub, and fumigate the houses and clean up the yard before another family moves in, or if income from houses would justify this, let the company do it.

O. F. ADAMS.

## SOPRIS CAMP PHYSICIAN'S REPORT.

JUNE 29, 1914.

R. W. CORWIN, M. D., *Pueblo, Colo.*

DEAR DOCTOR: In accordance with the conditions at Sopris, Colo., and its wants, the following answers to yours of June 25, 1914, all of which I hope will prove satisfactory and enable you to see and fill our needs.

## 1. ABOUT THE SALOON.

a. Have you a saloon or saloons in your camp? Yes.

b. Where located? Close to Sopris, at St. Thomas and Jerryville.

c. Who owns the ground and buildings? The following is a list of the saloon keepers in above-mentioned places and those who own the buildings, and also a list of those who do not own buildings.<sup>1</sup>

4. Has the company control of or equity in the ground, building, or management? The C. F. & I. Co. has no control of, no equity in, the ground, buildings, or management. There is no saloon or saloons on company property nor has it sold any lot or lots on which a saloon can be conducted in a building constructed for that purpose.

e. Give any additional information regarding the saloon problem. The saloons are fairly well conducted, there being but occasionally a few minor brawls and very few fights resulting in serious injury. At a few of the saloons an occasional dance is held Saturday night or on some holiday occasion, and it is at these events that most trouble arises. The dances as at Mrs. Verdaglio's and at the Central Saloon, conducted by Tony Rocco, are openly public, and the men in bidding for the favors of the dance girls very often, by reason of jealousy and rivalry, are liable to have considerable trouble. Very few, if any, husbands take their wives to these places, but occasionally have a dance at some of the saloons where everybody is good natured and on their good behavior, so there is rarely any trouble, and being amongst close personal friends, is soon stopped.

<sup>1</sup> List not furnished.

## 2. SCHOOL.

a. How many grades are taught? There are eight grades.

b. How many teachers? Four.

c. What certificates do they hold? Mr. E. G. Morand, the principal, holds a life certificate, first grade, as a graduate of the State Teachers' College, Greeley, Colo. Miss Catherine Casey, who teaches the first grade; Miss Frances Barnes, who teaches the second and third grades; and Miss Mabel Ring, who teaches the fourth and fifth grades, are all high-school graduates and hold first-grade certificates.

d. How many rooms and pupils in each? There are four rooms, with 60 pupils in first primary, 55 in second primary, 50 in intermediate, and 33 in grammar room.

e. How well are the teachers qualified for their work? Mr. Morand, the principal, can not be excelled anywhere, both by his qualifications as a teacher and in the interest he takes in his work and his pupils. Mr. Morand is one of the instructors at the county institute every year, and all the teachers under him also attend. Miss Catherine Casey, the primary teacher, is now taking a special training in the Montessori system, which in a modified form it is her intention to introduce here next year. All the teachers are thoroughly qualified for their work, in which they are enthusiasts.

f. What do the teachers do indirectly for their pupils? The boys in higher grades have equipped one of the clothes rooms of the school as a bank, where, as in any commercial bank, they deposit their money; the deposits last year amounting to \$150, which they draw out by check, and in all other ways do as is done in any ordinary bank. The boys are given some manual training and a thorough course in first-aid work, and for this latter, as well as for other valuable qualifications, the Sopris Boy Scouts have acquired an interstate reputation. The Sopris school has the best equipment in the county, consisting of a large library, charts, and wall maps, a piano, a Victrola, a lantern with slides, a \$100 hand press, which, owing to lack of funds last year, was not used, but hopes are entertained that sufficient funds can be secured this year to publish a small weekly paper. The girls are taught domestic science in all the grades from second upward. They are also taught sewing and other requirements suitable to their sex. Societies have been formed of the schoolboys of St. Thomas and Jerryville, and the canyon, their object being to prevent by advice and example, any profane or vulgar language, the reciting of nasty, vulgar stories, and in all ways the advance of moral and social conditions of its members. During the last eight years 40 finished the eighth grade. Of this number 20 have gone to high school, 11 going at the present time, for which the school district of Sopris pays for the tuition the sum of \$550 per year. The girls have a Priscilla Club, and this, together with the boys' club or clubs, hold social functions during the year, the parents and friends being invited, and at which the domestic science class prepares all the food. Taken all in all, our school is indeed worthy of high praise, and for the most part it is due to the principal and teachers, together with a good school board, always a necessity in the upholding and advancement of a school.

## 3. AMUSEMENTS.

a. What is done for the amusement or entertainment of the people? Absolutely nothing, and so far as any effort or desire being apparent, the idea has not yet shown any appearance of germination. Indeed the germ may be sterilized.

b. Is there any place but the saloon for the men to congregate? No. There is one moving-picture show here, third or fourth rate class, which charges 10 cents for adults and 5 cents for children, and the proprietor of which, it is said, soon after the strike made the statement that no "scabs" were wanted at his place of amusement. While on the subject of amusement I desire to make a suggestion which I hope may be of some value and add to the welfare and contentment of the employees here. It may be true, and I presume is, that its success may not be such as would be expected in a community of such a mixed nationality as we have here—Mexicans, Germans, Hungarians, Slavs, Polacks, and others. These nationalities are clannish, each nationality seeking its own countrymen even in their games and amusements, but there are so many who are partly Americanized that after a while it may not be a difficult matter to break down the barriers which separate the different nationalities. I think



a good club with a library, reading and writing room, bowling alley, and a billiard and pool room combined would do much to better the conditions here. Cards and other amusements can, of course, be made incidental. There are many young men here who board here and there and during the cold winter nights have no place to sit by a warm fire; indeed half the time they are chilled through and have no place to go except to bed or to the saloon, where they can play cards or talk, but in any event keep warm. The conditions, as they exist here now, force them to the saloon, and if asked to make an apology for so doing, they have none to make; indeed they could ask what one wanted them to do—freeze. And such an answer, because true, would be confounding.

#### 4. RELIGIOUS WORK.

a. Have you a church or churches; if so, kind and how many? There is one Roman Catholic Church at Sopris, no other denomination having any.

b. Church services, how often; number attending? Services are held once a month in the Catholic Church under the direction of Father Valentine, who comes from Trinidad for that purpose. The attendance varies from 300 to 500 or more, the latter on some special holiday or saint's day. Rev. Mr. Gaddis or Rev. Mr. Taylor hold services once a month at the schoolhouse. The attendance is small, however, owing to the mixed population, Mexican, Italian, Hungarian, and Slav, being Catholic, the Poles belonging to the Greek Church attend the Catholic Church, so the attendance at Rev. Mr. Gaddis's or Rev. Mr. Taylor's services is sometimes as low as 10, 25 being considered a good attendance.

c. Sunday school, how often? Sunday school at the Catholic Church is held once a month, the attendance being 100 or more. Rev. Mr. Gaddis's and Rev. Mr. Taylor's services are held at the schoolhouse every Sunday at 2 p. m., Mr. Herring, of Trinidad, being superintendent, assisted by Mrs. Steele, the wife of the dry goods clerk at the Colorado Supply Co. store, she playing the piano; when the attendance, which rarely, exceeds 25 Miss May Daw assists.

#### 5. SANITATION.

a. The general sanitary conditions on company properties are good. On all private properties it is in some places vile and would, if it were not owing to climatic conditions, be unbearable and a great danger to the health of the entire community. There are some premises not only adjacent to but adjoining company property which I presume have not been cleaned up for years.

b. What is the source and condition of drinking water? The water supply is pumped from the Purgatorie River into a reservoir close to the mine; piped all over the camp. Anything I may say in condemnation of the water after a rain or a good thaw would be mild in comparison with what it really is. Its utility either for drinking or household purposes is, of course, prohibitive unless the user wanted to get full of mud. Not only is it full of mud and color of mud half the year around, but it is also black with coal and coke dust, as during the heavy rains the stuff is washed into the river by water running through the arroyos. The water is used after the following process: The families fill one or more barrels from the hydrants, the number of barrels depending on their needs. After being filled about half an ounce of pulverized alum is thrown into each barrel to settle the water before exposed to a broiling sun: the water remaining in the barrels a week or sometimes more is not in good condition for domestic use. When the barrels are empty the usual process is repeated, even without washing the barrel, the bottom and sides of which are covered with a thick, slimy, green deposit. In looking over my list of typhoid cases, in all of which I asked particularly about the water supply, I have not so far been able to trace a single case to the water we use in camp. Three years ago there was so much typhoid at Sopris plaza, a small settlement north of the river, that I threatened to have the wells condemned and filled up if they were not cleaned, as I traced all the cases of typhoid fever in that neighborhood to the use of well water. The camps west of here have Trinidad water; Cokedale has excellent water; even Piedmont, adjoining our camp toward the east, has water with all the desirable qualities and from the same source that we get ours, but it is filtered or pumped from a well close to the river. I have been informed that if the saloons do not soon open so that the men working here can get something decent to drink, for they have long ago given up hope of the water supply being

bettered, that they would seek employment elsewhere; and this is no joke I am relating.

f. What is the source of the food supply and what are the sanitary precautions? The precautions taken by the Colorado Supply Co. in protecting its food supply are excellent. Their meats are thoroughly wrapped, their fruits under screened frames, all the doors screened, and in all other respects the best care is taken to protect the foodstuffs. "Swat the fly" is their watchword. In smaller stores, which I do not visit very often, I find about the same conditions prevailing; indeed, no merchant nowadays can expose his produce or what he sells to flies and dust or he will have but small trade; the people are learning the necessity of needful cleanliness. Even vegetables raised by truckers and sold here are all covered in their wagons, and of course much more attractive, not being wilted and burned by the sun.

#### 6. HOUSES.

a. How many two-room buildings? Condition? One.

b. How many three-room buildings? Twenty-one.

c. How many four-room buildings? One.

d. How many five-room buildings? None.

All of the above buildings belong to the company and are kept in good repair and in fairly good condition. The houses are all frame structures and built when Sopris was first opened and in a very hurried way and are not as substantial as they might be; they are cold in winter, but otherwise fairly comfortable.

e. How many buildings unfit for occupancy? There are about 54 houses up the canyon, so called, of which 8 are habitable and 46 simply awful; they are disreputably disgraceful—and more. Mr. Chambers and myself made a close inspection of these houses last Sunday, and without entering into lengthy details give the foregoing as the fairest statement we can make. What is known as "the canyon" is one of the oldest settlements in Sopris, built when the camp was first opened by the southern Italian coke pullers, for which they paid a ground rent of a dollar per month. The report taken from the books in the office shows only 41 houses, but rooms have been added from time to time without objection of the company, and the houses have been sold and resold so often and divided and subdivided until the division amounts to 54 instead of 41. These shacks seem to have been built on a prehistoric plan by these descendants of the Cæsars and the style of architecture is now unknown. Old dry goods boxes, soap boxes, old pieces of corrugated iron, powder cans, barrel staves, and every available thing that would stop a hole were used in construction. The roofs are of corrugated iron, and with a total disregard or ignorance of the utility of a nail the iron was nailed on the concave instead of the convex part of the covering, allowing the water to trickle through in streams. I have had to remove a mother in labor from one part of the shack to the other to keep dry, and after remove her to another, upon the roof of which a cover of adobe had been thrown. If we had a few houses up the canyon before or at the time of the strike, we would have lost but few men, as there were no places to put them out of intimidation and harm's way. There is in brief the A. F. C. of this canyon colony. Under sanitation I state that when I came to houses I would say something further on water-closets. In the canyon there may be a half dozen which by courtesy would be called such. Many of them are a few boards thrown together with a hole in the ground not 2 feet deep in which some child may fall, for there is no protection from such an accident. Some are constructed of gunny sacks, with a loose flap in front with which the wind can play to expose the occupant. The children, most of them, adopt the primitive plan of squatting beside the house and turning loose; when they get up shake themselves and walk away. This is not an imaginative story, but an actual occurrence which I have seen scores of times. There are few things more repulsive to a child than personal uncleanness, especially the befouling of excreta, when once they are taught cleanliness of person in such matters, but the poor children have no convenient place to go and nature does not wait on ceremony. Something should be done to get rid of this pest as soon as possible. There is no excuse for its continuance. Any way you look at it it is a disgrace to the camp and an eyesore which to visitors would blot out all the good that exists in Sopris.

What improvements are being made? Improvements are being made every day to facilitate the coal output. "Safety first" is the watchword of the management. The men are taken to their work in the morning and brought



out at night. The working conditions are being improved, day by day earnings are increasing, everybody is looking pleasanter and looks happier, until at quitting time, befouled with dust, they go to their miserable shack of a house, there to find an unattractive wife and still more unattractive children because of the smoke and dirt which they can not avoid in a room not large enough in which to turn around.

What improvements do you recommend? With a keen knowledge of the conditions here and the requirements absolutely imperative I would not, if I had the power, recommend, but demand, the construction of some shower and tub baths here for the use of the employees. There are but few coal camps in southern Colorado which are not supplied with these necessities. As you know, the man in the mine is the cleanest workman in any craft. He has to be, as he is forced to take his bath every day or in a short time he would be sprouting vegetation. Why, then, should Sopris, the gem of them all, with its successful management, its faithful employees, its location, and its innumerable advantages be deprived of this great necessity to their comfort and well-being. I think there are two places in Sopris where the luxury of a bath can be enjoyed—one at Mr. Chambers and the other the Colorado Supply Co. manager's residence.

There is not a vacant house in Sopris and men are doubled up here and there anywhere to lay their poor weary bodies at night. The building of more houses, as you can see by the foregoing, has become imperative. Last fall Mr. Weitzel talked about building 20 houses up the canyon, but nothing has been done. It will have to be done some time and may as well be done at once. It will enable the company to get rid of the eyesore shacks in the canyon, for all their occupants will move into the new houses, since the population is not what it was 20 or 30 years ago.

First aid: During the past four years classes in first aid to the injured have been formed at Sopris and meetings held twice a week—Tuesdays and Thursdays—at which there were always present two full working corps, five men to each corps. Very frequently the attendance amounted to as much as 20, and in the work and the exercises much interest was taken by the employees.

There are eight who received certificates of proficiency in the work from the Colorado Fuel & Iron Co. signed by Mr. E. H. Weitzel, manager, Charles Chambers, superintendent, and T. J. Forhan, medical instructor.

Since the strike, September 23, 1913, on classes have been held, either from fear of personal violence to themselves or because they desired to remain with their families because of personal violence to them. Since organization of first aid every individual injured in the mine received first-aid care, no matter whether the injury be major or minor in character. It is the intention to keep this work well in hand indefinitely as it is of inestimable value in the care of the injured.

And now, my dear doctor, I earnestly hope what I have said in the foregoing regarding recommendations will be heeded. I have made many reports, but no one as fully as this in giving some details, and all the conditions are exactly as I state. Mr. Chambers has read what I have written and agrees with me, so does Mr. Baker, the chief clerk; indeed, if I followed their advice and dictation my report would not be nearly as moderate as it is.

Wishing you success in what I hope will be a sweeping reformation in the conditions at Sopris, I remain,

Very sincerely,

T. J. FORHAN.

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#### MORLEY CAMP PHYSICIAN'S REPORT.

JUNE 30.

- a. At Morley there is one saloon.
- b. In the camp.
- c. The company.
- d. Yes.

#### SCHOOLS.

- a. From first to eighth, inclusive.
- b. Two.
- c. First class.
- d. Well qualified.
- e. Two, about 50 pupils in each room.
- f. Give entertainments, gave a home-talent play.

## AMUSEMENTS.

- a. A moving-picture show is given every week. A dance is given about every two weeks. Picnics are given during the summer.
- b. No.

## RELIGIOUS WORK.

- a. No.
- b. Every week, 25.
- c. Yes; every Sunday.
- d. In schoolhouse.

## SANITATION.

- a. Good.
- b. Hauled away.
- c. Each house has a closet.
- d. Good.
- e. From reservoir which is fed from mountain stream; condition good.
- f. Colorado Supply Co. sanitary precautions good. Some vegetable wagons make regular trips.

## HOUSES.

There are 85 four-room and 16 six-room houses. There are 19 one-room shacks. The cement houses are in good condition, the shacks poor.

e. None.

No improvements are being made. A clubhouse would help social conditions. The camp is clean, the water is good, the houses have electric lights and are kept in good repair.

More could be done in church work, and would advise another teacher in the school.

Yours, truly,

D. E. FORD.

## BERWIND CAMP PHYSICIAN'S REPORT.

JUNE 24, 1914.

The following information covers Berwind-Tabasco as one camp:

## 1. SALOONS.

- a. Four saloons.
- b. Three in upper Berwind and one in central Tabasco.
- c. John Aiello owns the ground and two saloons in Berwind, G. Toller owns the ground and one saloon in Berwind, and Joe Cox owns the saloon and ground in Tabasco.
- d. No.
- e. Four saloons are too many for this place. If we had two saloons, that were allowed to stay open certain hours, close as early as 8 o'clock every evening, and we had an antitreat law, we could get along fine.

## 2. SCHOOL.

- a. All grades to the eighth.
- b. Four teachers.
- c. First grade.
- d. We try to get the best.
- e. Four rooms, principal's room, September, 1913, 23; May, 1914, 16. Intermediate room, September, 1913, 65; May, 1914, 48. Intermediate room, September, 1913, 69; May, 1914, 29. Primary room, September, 1913, 75; May, 1914, 41.
- f. Not much.
- g. We have nine months' school each year. Salaries the past year, principal, \$90; the other three teachers, each \$80. Our school building is equipped with electric lights, steam heat, and sanitary drinking fountains, the fountains are supplied with pure mountain water.

## 3. AMUSEMENTS.

- a. Picture shows, dances, and lodges.
- b. No.
- c. We need a good big clubhouse.



## 4. RELIGIOUS WORK.

- a. One Catholic Church.
- b. The company minister conducts services once each month in the school-house, the Catholics conduct services once each month; attendance rather small.
- c. Yes; every Sunday morning.
- d. Schoolhouse.

## 5. SANITATION.

- a. Very good at present.
- b. It is put in trash boxes and carted away.
- c. Outside closets.
- d. They are moved about every two years, at other times we disinfect with chloride of lime.
- e. We have a few wells, but the greater portion of the water comes from a mountain spring being piped down to the camp; drinking water very good.
- f. Provisions and food supplied by general stores and huckster wagons; sanitation of these sources has always been very good.

## 6. HOUSES.

- a. Thirty-eight; condition good.
  - b. Three; condition good.
  - c. One hundred and twenty-one; condition good.
  - d. Eight; condition good.
- Eight 6-room houses; condition good. Two 12-room houses; condition good. Eighteen 4-room houses are at present unfit for occupancy. Extra rooms are being added to two houses to accommodate the growing families of the occupants.

H. C. LEE.

## LESTER CAMP PHYSICIAN'S REPORT.

## 1. ABOUT THE SALOON.

The saloon in Lester was closed about two years ago, and permission to reopen was refused by the company. Since that time a new saloon has been built on land adjoining the company property. The company has no equity in this saloon or the land upon which it stands.

## 2. SCHOOL.

The Lester children attend the Rouse School.

## 3. AMUSEMENTS.

What was said under this heading concerning Rouse applies to Lester.

## 4. RELIGIOUS WORK.

Answered under Rouse.

## 5. SANITATION.

- a. General conditions fair.
- b. House refuse is carted away to dumps. Each house has a trash can or pit.
- c. Each house has a latrine.
- d. These are handled as in Rouse. New vaults are dug when needed. Closets are made light proof, and lime put into the vault every spring. They are inspected during the summer.
- e. The water coming from the mine in Lester is not potable nor used for cooking. It contains a large amount of sulphur. Used for washing and bathing. The drinking water comes from a well situated in a little draw below the camp or is hauled from Rouse, the user paying the cost of haulage only. There is danger of the well water becoming contaminated, and the users have been advised to boil it.
- f. The camps of Rouse and Lester being so close together, their food supply comes from the same sources. There is a company store at Lester and a store belonging to an independent merchant who is not connected with the company.

## 6. HOUSES.

- a. Two-room buildings, 6; condition poor.
  - b. Three-room buildings, 15; condition fair.
  - 3. Four-room buildings, 27; condition good (8 concrete).
  - d. Five-room building, 1; condition good.
  - e. Six-room building, 1; condition good.
  - f. Eight-room building, 1; condition good.
  - g. The two-room houses are very poor, but all other houses in Lester are in good shape and are occupied at this time. There are a number of houses, mostly adobe, not owned by the company, and some of them on company ground. The owners of these houses live in them or rent them to others. No improvements are being made at the present time.
- Recommendations, same as for Rouse.

WILLIAM HALLEY.

## IDEAL CAMP PHYSICIAN'S REPORT.

## 1. ABOUT THE SALOON.

The Ideal camp has not and never has had a saloon on the company property. There was a saloon established adjacent to the company property line. The company had no equity in land or voice in the management of this saloon.

## 2. SCHOOL.

- a. Grades up to and including seventh.
- b. One.
- c. Third class.
- d. One of the officers of the board says, "Fair."
- e. One room; about 25 pupils.
- f. Board member above quoted says, "Nothing."

## 3. AMUSEMENTS.

- a. Picture show once a week.
- b. There being no saloon, men meet at each other's house or at the school building.
- c. The school building is used for dances and any other entertainment that is given.

## 4. RELIGIOUS WORK.

- a. There is no church in Ideal.
- b. Services are held at intervals—about once per month by Rev. E. S. Gaddis. The Catholic priest of the parish makes visits at stated intervals.
- c. Sunday school each Sunday.
- d. Exercises are held in the school building.

## 5. SANITATION.

- a. General condition fair.
- b. House refuse is carted away to dumps.
- c. Latrine to each house.
- d. New vaults dug as needed. Kept light proof.
- e. The drinking water is surface water coming from a well about one-half mile above the camp. The water is of good quality, but the well has not proper protection to prevent contamination from stock.
- f. From the company store, where the sanitary conditions are good, and from peddlers' wagons, which, coming for a number of miles, are exposed to heat and dust to a small extent from near-by ranchmen.

## 6. HOUSES.

- a. Two-room buildings, 27; condition very poor, and none occupied at this time.
- b. Three-room buildings, none.
- c. Four-room buildings, 25; conditions good (10 concrete).



d. Five-room houses, none.

e. Six-room buildings, 6; conditions good.

f. All homes are in good condition, with the exception of the two-room buildings. These could be used in the summer time, but are unfit for winter occupancy.

Trash cans are being installed.

Recommendations: Ideal is a new camp and could be kept clean and tidy by a little continued effort. The water supply should be safeguarded. The use of screens in summer. An incinerator.

WILLIAM HALLEY.

#### WALSEN CAMP PHYSICIAN'S REPORT.

JUNE 18, 1914.

Dr. R. W. CORWIN,  
*Pueblo, Colo.*

DEAR DOCTOR: Replying to yours of June 15, 1914, regarding conditions at Walsen, comprising the Walsen and Robinson mines, I submit the following:

##### 1. ABOUT THE SALOON.

a. There has been a saloon in the camp until just recently. About a year ago the saloon was closed and the building arranged for a clubroom. This was continued with no saloon in camp until the strike was called last September, when a saloon was again opened in this building and remained such until the arrival of Federal troops. Arrangements have again been made to use this building as a clubroom.

b. There are several saloons close to camp, but not on company property. Ground and buildings owned by individuals and in no way under control of company.

c. It is the general opinion among more intelligent class of people that conditions are much improved since saloons were closed by Federal troops.

##### 2. SCHOOL.

a. First to eighth, inclusive.

b. Four.

c. Mr. A. S. Neely, first grade certificate; number enrolled, 42; average attendance, 32; Mrs. Cooper, State certificate; number enrolled, 59; average attendance, 13; Miss Bertha Riley, State certificate; number enrolled, 42; average attendance, 24.

d. All well qualified.

e. See "c."

f. Occasional entertainment at school evenings.

##### 3. AMUSEMENTS.

a. Moving-picture show every Monday evening.

b. No.

c. Baseball games nearly every Sunday during summer. First-aid team now being organized.

##### 4. RELIGIOUS WORK.

a. No church.

b. Church services one Sunday each month; very few attending. Fifteen present Sunday, June 21.

c. Sunday school every Sunday; average attendance, 25.

d. At school building.

##### 5. SANITATION.

a. Only fair.

b. Collected in cans and hauled off.

c. Small buildings over open vaults, not screened or fly proof.

d. Very seldom cleaned or moved.

e. Source of water is from workings of old mine. Condition—much complaint as to smell, taste, and use for washing and cooking. In cooking potatoes and other vegetables it turns them dark and injures flavor. Boiling does no good so far as improvement for cooking and taste.

f. Source of food supply is from Colorado Supply Co. store mostly. Sanitary precautions good.

## 6. HOUSES.

- a. Two-room houses, none.
- b. Three-room house, 1; in good repair.
- c. Four-room houses, 47; in poor repair.
- d. Four-room houses, 63; in good repair.

Five-room houses, 2; in good repair. Six-room houses, 17; in good repair. Six-room house, 1; in poor repair. Twenty-one-room house, 1; in fair repair (boarding house). Twelve-room house, 1; in poor repair (Japanese boarding house).

e. Partly on account of condition of houses and partly on condition of camp surrounding the houses, the 47 houses in Red camp are not suitable for occupancy. A great many people live in conditions as bad or worse, but that hardly excuses us for the conditions here. These houses are very old, hard to put in repair and keep that way, and, of course, those that occupy them take no pride in keeping them in repair. The surroundings are unsightly and insanitary. Hydrants are leaky. The ground is uneven, so that water collects in ponds, becomes stagnant, and makes mud. In bad weather the entire camp is muddy. There are a few adobe houses here occupied by employees not counted among company houses.

I think conditions here could be remedied to a great extent by leveling up the camp, building walks with cinders, enforcing rules leaving hydrants open, allowing no leaky hydrants, and filling up holes so that water can not be collected in pools.

## 7. IMPROVEMENTS.

Fifty new houses just completed.

I would recommeind that a different and more palatable water supply be furnished. Arrangements might be made with the city of Walsenburg to tap their main, which runs through the camp. If this could not be done, a similar system might be built, taking water from near source and piping it to the camps.

As to water-closets, I would recommend one or two things. First, a water-borne sewerage system. Second, if water-borne system was not found practicable, I would recommend the vault system, digging a fair-sized hole and placing over it a fly-proof building seat, allowing only fecal matter and urine. When the vault is filled close the vault and move building to a new location. These buildings should have a vent. Also be banked around to prevent flood waters running into the vault.

I would also recommend that walks be built with cinders between and around houses and elsewhere about the camp, as would seem needed, and add to the comfort of those living in the camp. I would also recommend that the number occupying a house or room be restricted according to air space.

Very truly, yours,

A. L. TROUT.

## CAMERON AND GLOBE CAMPS PHYSICIAN'S REPORT.

WALSENBURG, COLO., June 18, 1914.

DR. W. R. CORWIN,  
Pueblo, Colo.

DEAR DOCTOR: Replying to yours of the 15th regarding welfare of camps, I submit the following concerning Cameron and Globe:

## 1. ABOUT THE SALOON.

- a. Yes.
- b. Between Cameron and Globe, near company office and store.
- c. Mr. Martino Berattino, proprietor of saloon.
- d. No.
- e. It is generally conceded that the efficiency of workmen has much improved since closing of saloon by Federal troops.

## 2. SCHOOL.

- a. First to eighth, inclusive.
- b. One.
- c. First grade.
- d. Quite well qualified.
- e. One room; number enrolled, 55; average attendance, 28.
- f. Some home visits and a few little picnics and entertainments.
- g. This year one of the camp houses was used for a school building.



## 3. AMUSEMENTS.

- a. Moving-picture show every Tuesday evening and an occasional dance. Baseball on Sunday during summer.
- b. No.

## 4. RELIGIOUS.

- a. No church.
- b. Church services one Sunday each month. Only a few attending.
- c. Sunday school every Sunday. Attended by most of the children in camp.
- d. In building used for the public school.

## 5. SANITATION.

- a. General condition fair.
- b. House refuse collected in cans and hauled away to dumps.
- c. New buildings and vaults being put in all over camp and will probably be made fly proof.
- d. All buildings just now being changed.
- e. Source is from old workings at Walsen, piped over to tank and from this tank distributed to houses through pipes and hydrants near houses. A few houses have connections inside house. There is much complaint about the taste, smell, and general condition of the water. Lots of sediment, and in cooking it is very unsatisfactory, coloring potatoes very dark, destroying the flavor to a great extent, and, in fact, all vegetables, and cooking is injured materially in comparison with pure water. Boiling does no good so far as improvement in taste or use in cooking.
- f. Source mostly from the Colorado Supply Co. store. Sanitary precautions at the store are good.

## 6. HOUSES.

- a. No two-room houses.
- b. Thirteen 3-room houses; on good repair.
- c. Thirty-two 4-room houses; in good repair.
- d. Five 5-room houses; in good repair.
- e. Five 6-room houses; in good repair.
- f. One 11-room house; in good repair.
- g. None.

Seventeen new houses are nearing completion, part of them already occupied and all included in above. The superintendent's and store manager's houses will be equipped with modern conveniences—light, water, bath, and toilets.

I would recommend that a different and more palatable water supply be furnished. I am not able to say just how this might be accomplished, but probably in conjunction with Walsen and McNally; arrangements could be made with the city of Walsenburg whereby water could be used from their mains and supplied to the camps. If not, a similar system might be built, not so large, but sufficient for all the camps, and taken from near source and piped to camp in the same manner as that for the city of Walsenburg.

I would also recommend in regard to water-closets one of two ways. First, that water-flushing toilets be furnished each house and drained through crevice in old workings of mine. There is sufficient water in Globe that could be pumped into a tank and passed through pipes used for this purpose only. Second, I would recommend for the water-closets the vault system, digging a fair-sized hole and placing over it a fly-proof building and seat, allowing only fecal matter and urine. When vault is full, close the vault and move building to a new location. These buildings should have a vent and be banked around to prevent flood waters from running into vaults.

I would also recommend that walks be built of cinders, which are abundant near at hand. These walks to run between houses and company store and office and other places most needed. This would eliminate to a great extent the unpleasantness of wading through mud in stormy weather.

Mr. C. A. Kaiser, superintendent, has posted in all houses a very commendable set of rules, a copy of which I inclose herewith.<sup>1</sup>

I believe that Cameron can be made one of the best, if not the best, camp from a sanitary and sociological standpoint under this company's management.

A crematory system for the disposal of refuse hauled away from houses would add to sanitary conditions.

<sup>1</sup> Not furnished.

As there is a tendency, especially among certain classes, to overcrowd—that is, too many occupy a house or room—I would recommend a strict supervision as to the number that might occupy a house or room according to space.

This should apply to all camps.

Yours, truly,

A. L. TROUT.

#### CALCITE CAMP PHYSICIAN'S REPORT.

JUNE 23, 1914.

R. W. CORWIN, *Chief Surgeon,*  
*Pueblo, Colo.*

DEAR SIR: In reply to your circular letter of the 15th instant, I beg to submit the following:

##### 1. ABOUT THE SALOON.

There is no saloon in Calcite, not nearer than Salida, which is 16 miles away. The superintendent allows a reasonable amount of beer in bottles or kegs brought into the camp upon request made personally to him by employees. The camp is always orderly, and I know of no cases of drunkenness.

##### 2. SCHOOL.

Calcite is a part of the Howard district, No. 37. The schoolhouse is located at Howard, 4 miles from Calcite. It is a two-room school, with instruction up to the eighth grade. An effort is now being made either to have a subdistrict established at Calcite or to arrange for transportation for the Calcite children to and from school at Howard. This matter has been taken up with Mr. Gaddis, and his recommendation has been sent to the Denver office.

##### 3. AMUSEMENTS.

A clubhouse is furnished by the company. It contains a pool and billiard table, a piano, a phonograph. It is always open for the benefit of the men, and in the wintertime is used quite freely.

There is no saloon at which the men congregate. They have numerous games which they play during the early evening.

##### 4. RELIGIOUS WORK.

There are no churches at Calcite, and no religious services are held in camp. There is a church at Howard, where our people are welcome and several of our English-speaking people attend. The foreign people are almost entirely Catholic, and those who care to do so go to Salida to attend services.

##### 5. SANITATION.

General condition is good. We are situated in a narrow canyon, where space is at a premium, but a constant effort is made to keep the camp clean and in good sanitary condition. House refuse is put into garbage boxes and hauled away by team. Ordinary outhouses treated frequently with chloride of lime, and renewed when necessary, are the water-closet arrangements. A large tank is being arranged for sprinkling the camp with a solution of chloride of lime in an effort to do away as much as possible with sources of contagion.

Nearly all the drinking water is supplied from springs, and has been found to be pure. Some is taken from the creek at a point above any source of contagion.

The food supply is mainly from the store of the Colorado Supply Co., though ranchers furnish some vegetables, butter, milk, etc. The store is as clean and sanitary as possible, and the service is satisfactory.

##### 6. HOUSES.

The houses are all frame construction, and are kept in good condition. There are 30 houses, sized as follows: One two-room house, 27 four-room houses, 2 five-room houses. In addition to above, there is the superintendent's home, and two or three one-room cookhouses.



No improvements are being made at present aside from the regular necessary repairs.

The superintendent and myself cooperate in a constant effort to keep the camp as clean and sanitary as conditions will permit. Our people are contented and well behaved.

Yours, very truly,

D. D. HAMILTON.

#### FLORESTA CAMP PHYSICIAN'S REPORT.

JUNE 30, 1914.

##### 1. ABOUT THE SALOON.

- a. One saloon in the camp.
- b. Near C. S. Co. store, on company ground.
- c. The C. F. & I. owns it.
- d. The company controls it.
- e. It was considered best just now, on account of the strike, to have the saloon running here so as to keep the men from going to Crested Butte. It is perhaps the lesser of two evils, as liquor was formerly shipped in from Crested Butte.

##### 2. ABOUT THE SCHOOL.

- a. There were last year only 8 or 10 pupils, all in the lower grades.
- b. One teacher.
- c. Third grade.
- d. Perhaps an average as to qualification. Last teacher young and somewhat indifferent.
- e. Answered (one room and one teacher).
- f. I can not answer this.
- g. I am told that school will soon be started this year, and Mr. Cribbs is manifesting an active interest in it. There will be an attendance of 20 to 25, and steps are being taken to secure the services of a good teacher.

##### 3. AMUSEMENTS.

- a. Nothing is being done. Mr. Songer, of this place, formerly, is making an effort to organize an orchestra.
- b. No; except the store of the boarding house, where a large number of them live.
- c. Hunting and fishing afford about the only amusement during summer months.

##### RELIGIOUS WORK.

- a. No church.
- b. No church service.
- c. Every Sunday school is held by some people who went from here.
- d. In the home of Mr. Joseph Clark. They expect to hold Sunday school in the school room in the near future.

##### 5. SANITATION.

a. The general condition is not good. Houses are poor and closets are necessarily near to dwelling rooms. The pressure of other works and the scarcity of hands has held back the management from attending to this matter; and it may be started soon; the season is late and the ground is yet too wet to admit cleaning up. In some cases the water-closets are built as part of the dwelling, and in others they are at a little distance away, but space is limited in Floresta, and conditions are far from ideal. Do not get much attention.

b. House refuse is thrown anywhere outside of the door. When a high bank is convenient, refuse is dumped over into the creek. This matter is being taken up by Mr. Cribbs and myself, and we hope to have things improved.

e. The drinking water is one good thing in the camp. The source is above the camp and the purest of mountain water is conducted in pipes to the camp and dwellings.

f. The company store supplies all the food, and I believe the meats and fruits, etc., are kept in good condition and all foodstuffs guarded against contamination.

#### 6. HOUSES.

- a. Five; in poor condition.
- b. Eleven; in fairly good condition.
- c. Two; in good condition.
- d. Two; in good condition.
- e. Two; not occupied.

#### 7. GENERAL QUESTIONS.

No improvements being made.

I recommend the building of more houses, and a regulation, as much as may be, of the habits of the people in regard to the disposal of household refuse and personal filth; I recommend a clubhouse in place of the saloon, and, personally, would like to see liquor eliminated. I think Floresta is the worst camp the company owns, and I think the living conditions there should receive more attention than they do.

Respectfully submitted.

ANGUS TAYLOR.

### GULCH CAMP PHYSICIAN'S REPORT.

(Summer of 1914.)

#### 1. ABOUT THE SALOON.

- a. Have you a saloon or saloons in your camp? We have one saloon.
- b. Where located? Centrally.
- c. Who owns the ground and building? The company owns the ground. Mr. John Renstrom owns the building.
- d. Has the company control of or equity in the ground, building, or management? The company owns the ground, but has no other connection with the business, I believe.
- e. Give any additional information regarding the saloon problem. Personally I am opposed to the liquor business. I feel that when a man engages in it he thereby admits that he is either unable or unwilling to enter the lists of competition in some legitimate pursuit. However, Mr. Renstrom is far above the average liquor dealer in manhood and good citizenship. He conducts a clean, orderly place; he is a man of integrity, and for several years has been one of the most active and effective workers for a good school that this camp ever had.

#### 2. SCHOOL.

- a. What grades are taught? First to eighth, inclusive.
- b. How many teachers? Two. At present the number of school children is below the former average and only one teacher has been employed for the coming year. This arrangement is tentative, however, and provision has been made for the employment of a second teacher if it seems necessary in the near future. Indications now point to an increase in the number of school children and the second teacher will probably be employed.
- c. What certificates do they hold? The teacher already employed for next year is a graduate of the State university and holds a first-grade certificate.
- d. How well are the teachers qualified for their work? An experienced teacher has been engaged for next year. She was principal of this school two years ago. Her graduating class (eighth grade) passed their final examinations with the highest grades in the county for that year, according to a statement made by the county superintendent of schools, under whose direction the examinations were conducted. This teacher has taught successfully in one of the leading high schools in the State. She has the unqualified indorsement of the county superintendent, and her credentials from the State university are first class. She has unquestioned social standing. She has taught this school successfully, and the position was offered to her voluntarily by the local board.
- e. How many rooms and number of pupils each? Two rooms, and there are about 30 pupils at the present time. A number of families left the camp when the strike was called last September.



f. What do the teachers do indirectly for the pupils, i. e., assistance of amusements outside of required school work? A public entertainment is given by the school at the beginning of the Christmas vacation, and a picnic held at the end of the school year. Outdoor walks for practical nature study when season is appropriate and weather permits. Frequent entertainment of girls' sewing club at the teacher's home. Periodic Friday afternoon entertainments of usual sort. Discussions led by the teachers and the company physician; some of these are conducted at the physician's home. Some of the topics to be considered next year are: Monumental works of great men, i. e., great discoveries, great buildings, including cathedrals, great accomplishments in engineering, great orations, pictures, books, poems, etc.; the story of man's evolution and development, racial types; immigration, emigration, the interracial mind, America and the American, the interracial mind and the international conscience in the making of the future American type; the marvel of modern transportation and the movement of farm, factory, and mine products; the marvel of modern news gathering and dissemination; application of scientific knowledge to modern agriculture, etc. Important current events will be considered as they occur. The more intelligent parents are actively interested in these discussions. The company physician's library contains many authoritative works treating of these kindred topics. It is freely accessible to all responsible persons.

g. Any further information regarding the school? This school will bear exacting comparison with other schools of similar grade in neighboring towns. The equipment is better and more complete than that found in most schools in communities of this size.

#### 3. AMUSEMENTS.

a. What is done for the amusement of entertainment of the people? An up-to-date moving picture show is given once a week under company management. Only sufficient admission price is charged to cover the cost of film service.

b. Is there no place but the saloon for the men to congregate? No.

c. Any further information? The establishment of a reading and lounging room at the bunk house or some other suitable place would be appreciated by the better class of men.

#### 4. RELIGIOUS WORK.

a. Have you a church or churches? No.

b. Church services how often? Number attending? A Catholic priest visits the camp once or twice a year. A recently instituted plan provides for church services about twice a month. Nearly all English-speaking persons attend.

c. Sunday school; how often? A Sunday school is generally conducted during the school year. Most of the children are members of Catholic families, and their parents do not readily lend support to non-Catholic Sunday school. The Catholics have not maintained a Sunday school.

d. Where do they hold exercises? In the schoolhouse.

#### 5. SANITATION.

a. General condition? Fair; improving.

b. What disposal of house refuse? The more intelligent families burn it. Others do not readily heed instructions to burn house refuse of an organic kind. The Greeks are among the worst offenders. They render a house unfit for human occupancy in a short time. I am astonished at the liberties that seem to have been allowed them, and at this immunity and favors that seem to have been conferred upon them in the past.

c. What are the water-closet arrangements? Ordinary outhouses built over pits.

d. How well are these cared for? They have not received sufficient attention in the past. In my own case, when the necessity arose, I built an outhouse myself. A pit was dug without expense to me.

e. What is the source and condition of the drinking water? Our water comes from springs situated in a narrow gulch a few hundred feet above the camp. It is conducted to the camp and distributed through underground pipes. Each case of typhoid fever that has come to my care here has been traced to a source remote from this camp, in some cases to a source outside the State. We have good water.

f. What is the source of the food supply, and how good are the sanitary precautions? Excellent food supplies, in good condition, are available to all persons. In cleanliness, quality of goods, moderate prices, and courteous service, I find the local store of the Colorado Supply Co. equal to any and superior to some similar business houses in neighboring towns. I have learned from personal experience that we obtain the best meats obtainable in any market at a lower average price than that which prevails in neighboring towns.

#### 6. HOUSES.

a. How many two-room buildings? Conditions? Two; occupied by Greeks. Condition fair.

b. How many three-room buildings? Conditions? Six. Condition fair to good in four; two occupied by Greeks.

c. How many four-room buildings? Condition? Thirteen. In six the windows are broken out, some of the doors are down, some window and door casings have been torn away apparently for kindling wood, there are holes in some of the floors, and many of the rooms are littered with cow manure.

d. How many buildings are unfit for occupancy? Eleven.

e. What improvements are being made? Two four-room houses and two five-room houses are now being repaired. The camp is being cleaned.

#### RECOMMENDATIONS.

In suggesting the following recommendations I am making due allowance for the history of this camp for the past few years. I realize that the loss of our coke market must have necessitated the curtailment of expense. Most of us who are familiar with local conditions feel that, with strike conditions prevailing in our State, with our isolation from other company activities, and with the long list of unusual vicissitudes which have beset us, this camp is fortunate to be in operation at all.

That part of this report which sets forth the present condition of houses should be interpreted very liberally. A process of repair has been started, but its accomplishment must require time, patience, encouragement, and cooperation. Undesirable and filthy, shiftless families to move from house to house should not be allowed. This practice has been one cause of damage to houses in the past. I do not believe Supt. Robinson will tolerate it.

The coal-mining industry, even under the best obtainable conditions, imposes a high percentage of inevitable risk upon those who engage in it, and no coal mine can operate long without sooner or later being in urgent need of the services of a capable physician; in other departments men of different employment can be interchanged to meet an emergency, and operations proceed without interruption. Efficient first-aid service is indispensable, but at best it can be only of temporary use; but when the demand arises for a physician no person in any other trade or calling can take his place. Any person, from the superintendent down to the most humble day laborer, may, on notice, become indebted to the medical department for relief from pain, possibly for the saving of life, and in view of the fact, it would surely be to the advantage of the company and its employees to have the medical service established on a basis in keeping with the dignity and responsibility which generally distinguish the members of our calling. It should not be necessary for a company physician to exercise himself in the arts and devices of genuflexion in order to be recognized as a responsible member of a department that has distinguished itself for fairness and unselfishness.

I suggest, therefore, that the superintendent be plainly instructed to acquiesce in any reasonable and courteous request issuing from the physician's office, and pertaining to camp sanitation and welfare. I do not mean to imply dissatisfaction with the present superintendent, but I would provide against future contingency. On some former occasions, when I have made such requests, I have been impressed with the idea that the awful, omnipotent, czarlike authority of the local powers that be, rendered them capable to run this camp without any of my suggestions. I confess that this attitude changed after time, but only after I and my office had suffered many rebuffs and insults, which would not have been inflicted if my office had been clothed with appropriate authority. I feel that I am entitled to a courteous audience with any super-



intendent or other official when I come to present matters of interest to the company and its employees. I have not always received such audience.

This camp is infested with cows running at large; they find their way into vacant houses on wet days and when the weather is hot. They often sleep at night on the porches of occupied houses; this necessitates a job of cleaning not usually associated with housework. The daily visits of a bull from a neighboring herd of range cattle must be mentioned without further comment.

It is a tiresome, 24-hour journey from here to the Minnequa Hospital, and we have only one train a day out of this camp, so that it is sometimes necessary to provide for the care of a patient for a day before he can be started to the hospital. We are so isolated that I have always treated cases of wound infection (abscess of the scalp and deep abscess or phlegmon in the neck complicating erysipelas, deep abscess of hand, etc., are examples) and pneumonia here in the camp without subjecting the patients to the inconvenience and exhaustion of a tedious railway trip.

Many of these cases would be sent to the hospital if they occurred in camps less remotely situated. On this account the allowance of 3 cents per capita per month for supplies is not sufficient to meet the needs of this particular camp. My office needs the following articles: Linoleum for one room; paint (I will apply it myself), a cot or single bed with mattress, blankets, and pillows; a foot tub, lumber for dressing table (I will build it myself). I have provided beakers, test tubes, necessary solution bowls, and other enamel ware, besides hot-water bags, towels, etc.

NOTE.—The following matter is not included in your list of questions, and is, therefore, omitted from the report. I take the liberty of appending it with a recommendation for your consideration. This camp does not contain a decent washhouse where the men can bathe, change their clothing, and leave their clean garments while at work. A house could be repaired and a room equipped as washroom; another room could be furnished as a reading and lounging room; any remaining rooms could be occupied by men for sleeping quarters, the occupants paying the usual rental.

A. E. GILL.

ARMA, KANS., May 6, 1915.

Mr. C. S. GADDIS, *Phoenix, Ariz.*

DEAR SIR AND BROTHER: In answer to your letter received to-day, referring to the short weights which I had complained of, I always thought the blame rested more on the weighman who weighed the coal than the company. For many days he was off sick and some other man in his place weighed the coal, and generally I got better weight. Then he often had me a car short of the number of cars loaded, and would try to make it appear that I was claiming cars that I had not loaded; but when I saw the superintendent, Mr. O'Neil, and took the complaint of lost cars before him and stated to him that I could easily prove by the driver who pulled the cars from me, as well as the men which worked near by, that I was a car short, one day two short, he said that he would see that the lost cars were made up; after this I had little more trouble about lost cars.

Regarding the trading at the company store, I never was asked to trade there, but we could do about as well to trade and did trade there as well as elsewhere in Segundo.

As for other wrongs, we often had to go into old pillars or rooms to get rails and drag them to our own room, whereas the company should have brought them to each man's switch. Sometimes the company men brought them. What I considered a wrong was that the company paid nothing for handling the rock or dirt between the coal. It ran from 4 inches to 12 inches thick; and took considerable time to handle. If a man had a good place he could make fair wages, but in a poor place with bad top or faulty work his wages were poor. But personally I had a good place and earned fair wages.

I am glad to say we are all well. We have a son now, 1 year old. He is a strong, healthy boy. Both he and our little girl are doing well. I hope you and yours are all well.

Yours, respectfully,

S. HASLAM.

Personally I think the strike is no benefit to the workers, and I often thought that some of the smaller officials were more to blame than the stockholders. I will send your letter to a man named Thomas Dennison; he has worked much

longer in the Colorado mines than I have. He used to work at Frederick mine and is acquainted with conditions better than I am. I only know about Frederick, and I understand that was about the best mine they operated on account of a good roof, generally speaking.

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BOWERS'S ARTICLE IN LESLIE'S WEEKLY AND NOTES BY GADDIS.

"Corporations, however scrupulously they may comply with the laws of the State and Nation, as well as the higher laws that govern the acts of multitudes of business men employing labor, do not escape the assaults of muckraking magazines, socialistic preachers, trust-busting political shysters with their bed-fellows, the agitators and the anarchists. They all lend their voices and their pens to the work of slandering the corporations with a reckless disregard for the truth."

The above is Bowers's introductory sentences to his page-wide article and photographs. In view of the following facts, we aver Bowers's article has as "reckless disregard for truth" as those whom he denounces.

First, the notorious disregard for laws affecting saloon control, and this both with the tacit approval of officials and assistance of the camp marshals.

Second, the high-handed lawless methods used in connection with the camp school affairs.

Third, the constant breach of State law which protects men from working on the Sabbath day.

Fourth, the undue influence of camp officials in civil elections, often acting as officers of the election, which is forbidden by a specific statute.

Fifth, for more than 15 years a State law has granted the miners a check-weighman; only one has been employed of any length of time in a C. F. & I. mine; i. e., Starkville open camp and a union hotbed. To ask for a check-weighman has been equivalent to a request for time.

Sixth, bimonthly pay day was not granted C. F. & I. employees until the law was 12 years old.

Seventh, compulsory trade at "the store" is a violation of individual right granted by State decree. I have had many tell me they did not feel at liberty to buy elsewhere.

Eighth, the "check off" the pay roll for a man's dues to the company without consent of his wife is a violation of constitutional rights. When doctors' bills also are collected (as they are) it becomes a species of robbery from the laborer.

Ninth, the eight-hour law for underground workmen was belated in its effectiveness until 1913.

If this is scrupulous compliance with law, may we be forever preserved from falling into the hands of the unscrupulous.

For general insanitary conditions the camp doctors' reports submitted last summer fully attest.

We found one camp (Calcite) that never had the advantage of a public school; one was started last fall, after camp was 10 years old. There was a girl of 13 who had not the privilege of a public school living there.

"Two ordained ministers are employed by the Colorado Fuel & Iron Co. They give all their time to the Sunday schools and churches, supplemented by the Presbyterian Board of Home Missions and the American Sunday School Union in some localities. All the camps of the company have Sunday schools and most of them church services, both Protestant and Catholic in some of them."

We found seven different centers where the C. F. & I. have interests where no religious services of any kind were held.

We succeeded in establishing services at most of these points. Even today it can not be said that all the camps even have Sunday schools.

We have just learned in the past few days that the only preacher now employed by the C. F. & I. Co. is working among the colored people.

On religious conditions among coal camps of the State the Federal grand jury which convened at Pueblo, December 22, 1913, and whose findings were so distasteful to the operators, declares: "Meager facilities are offered for religious training in the coal camps. In a district covering 12 miles, with 10,000 inhabitants, there are only two small Sunday schools, 7 miles apart, and one other denominational bimonthly preaching service."



"At our steel works we employ from four to five thousand men; there they have the advantages of good houses, excellent common and high schools, churches of all denominations, and unexcelled hospital and medical attention."

The company have provided little or nothing for them; unless it be houses to be rented, for which they are well paid.

The dispensary which gives first aid to injured men at the steel works is supported by the \$1 per month held out of the wages of each employee.

"The advantages of good houses, excellent common schools and churches of all denominations are open to all residents of Pueblo, whether they work at the steel works or not."

The inference from Bowers's way of putting it would seem to suggest the C. F. & I. Co. were furnishing these advantages.

The padded pay roll scandal at the steel works last year was one of the most gigantic defalcations in the history of American industries. For years men had been drawing money on fictitious names. The whole affair was hushed up and covered over as quickly as possible. One or two nominal sentences were imposed and perchance the most guilty allowed to go scot free. The new editor of the Pueblo Chieftain was threatened with expulsion from the Elite Literary Monday Club for intimating in his paper that dismissal of men should not have stopped until the "higher up" heads had been reached.

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ON THE C. F. & I. Co.'s TWENTY-SECOND ANNUAL REPORT WHICH WAS SIGNED BY WELBORN AS PRESIDENT.

(Remarks by E. S. Gaddis.)

The twenty-second annual report, issued in October, 1914, Welborn affirms (p. 4): "All the conditions covered by the later demands of the labor organization, except those calling for recognition of the union and an increase in 10 per cent in wages, prevailed generally, if not entirely, over the State."

First, eight hours above ground did not prevail. Especially true of coke-oven workers. To-day all power-house men, both steam and electric, work 12 hours a day, 7 days a week. One of these engineers told me the long hours were killing him.

Second, payment for "dead work" was held up when they could so impose on the men.

Page 10: "The relation between ourselves and the State soldiers were the same in every essential particular as those that existed between us and the Federal soldiers."

The prevailing opinion not only among the strikers, but consensus of views of leading citizens was that Gen. Chase and his men were attempting to break the strike.

The constant conferences and phone messages; the free use of operators' autos; the credit allowed militiamen at "the store"; the cashing of warrants to pay State troops by the operators; the organization of local militia companies from employees, including many former guards and gunmen; furnished overwhelming proof that the militia were in cooperation with the coal barons.

Page 10, same report: "It is a significant fact, which bears evidence of the favor in which our mine stores are held by the workmen—retail sales—in the center of the strike trouble, were \$47,067.52 greater than they were during the last preceding year."

The brazen shame of the above words are of a pitifully low order.

First, the company hotels and boarding house were packed with guards who were being fed and furnished much new material for lodgings.

Second, at one period during strike all huckster wagons were shut out of camps.

Third, the arrival of hundreds of families as strike breakers made "the store" business boom in furnishing their houses.

Fourth, for months during the strike old employees who would have come to Trinidad or Walsenburg to trade occasionally were afraid to leave the camps; this extra trade went "to the store."

Fifth, the feeding of the State militia was in itself a very large source of income to the operators.

Sixth, the people who were given work and being protected by the operators during the strike felt a new impulsion to buy only at "the store." One store manager in a small camp told his receipts for one month at "the store" equaled nearly 50 per cent of the pay roll at the mine office.

## FACTS CONCERNING THE STRUGGLE IN COLORADO.

## BULLETIN No. 7.

JULY 22, 1914.

This is a copy of a letter addressed to Secretary of Labor, Hon. W. B. Wilson, and signed by eight prominent citizens of the State, most of whom we doubt not have never seen a coal mine.

One of their closing paragraphs runs thus: "The mines are running and are sending out full product, while little union mines set in ridiculous idleness."

The first affirmation of the above deliverance is more than the operators ever claimed for themselves. Further it is fully contradicted in Bulletin No. 6: "The mines have been in operation since the strike was imposed, the output never dropping below 50 per cent of the normal."

As to the second clause, the union mines, it was generally conceded that the strike gave these small union mines an opportunity to make money, never before presented, and they improved it. One union operator told me he could not afford not to sign up with the union. It was too great a sacrifice to his business outlook.

## BULLETIN No. 8.

JULY 25, 1914.

From the Denver Women's Law and Order League: "No machine gun was at any time directed against the colony."

We first read this falsehood in the office of Mr. Schench at Denver (president of the Colorado Supply Co.). We told him then there was nothing to be gained by such a misstatement. He questioned our authority for denying that the machine gun was not used on the tent colony at Ludlow April 20, 1914.

Our reasons for believing that it was used are as follows:

First, the C. F. & I. camp physician at Berwind told us it was in operation against the colony on that day.

Second, a man who lives in Berwind told us he was one of the supporters of the gun during the battle.

Third, we passed through Ludlow on C. & I. train the night of the famous battle. We saw the tent colony in flames. Several persons boarded the train. One man in particular we heard say that that machine-gun engine had been raking the camp.

Fourth, the operator of the gun was pointed out as a hero of Berwind Canyon.

This flagrant prevarication concerning the use of the machine gun has never been contradicted by the operators.

Those who signed the letter which was sent to President Wilson knew little or nothing first handed of conditions in southern Colorado.

## BULLETIN No. 4, SERIES II.

JANUARY 2, 1915.

The caption of this pamphlet is "The strike ends." In this paper Welborn rejoices over the "loyalty with which its men have stood by the company."

First, a large proportion of the foreigners who remained at work gave not a whoop about the controversy at issue.

Second, not a few who stand at their jobs were in sympathy with the strikers. Third, we were in Segundo on the night the railroad men and their families left the camp on a special train for Weston. It was thought the Old Town strikers were to attack Segundo. The train was taken out against orders of the superintendent of the road. The fire boxes of the engine in the roundhouse were filled with water before the train pulled out. They telephoned over to Old Town not to shoot as the train passed. They were union men.

Fourth, foreigners being told they would be protected if they remained at work were willing to take chances. It would enable them to make their "stake" and get back to Europe. When the strike was called hundreds of men returned to Europe. The Santa Fe Railroad did a big business for a while in Trinidad.



## NOTES ON FORCED SABBATH LABOR.

By E. S. Gaddis.

Colorado is the only mining State in the Union that has habitually compelled colliers to labor on the Sabbath.

All sorts of needless and unnecessary labor is encouraged and enforced in the C. F. & I. camps.

For many months prior to the great strike hundreds and thousands of men did not know what a day of rest was.

Orders were posted on the mine bulletins, signed by the superintendent, threatening loss of good place in the mine or actual discharge for those who failed to report for work.

After reading such orders we reported the fact to Weitzel, who said it was news to him. It is our understanding that all orders for Sabbath labor in the mines originate from Weitzel's office. We also lodged complaint with Bowers, who did nothing to relieve the men.

One young man at Primero, who told he had worked so many consecutive Sabbaths he wanted a day of rest and refused to run the mine motor car, was discharged. We presented his case to Weitzel, and that was the last word we ever heard on the case.

Some of the foreigners who are driven into Sabbath labor through fear of discharge would fail to show up on Monday.

A master mechanic in one camp told me it was not at all necessary for him to work on Sunday to keep abreast of his job, but the superintendent forced him out because the day shift was at it and no exceptions were to be made.

The special trains for Sunday baseball during the summer on the company railroads help to break down respect for the holy Sabbath; neglect of religious opportunities; and sometimes the men returned home in a drunken revelry, liquor being obtained from the "law-respecting" company saloon keepers.

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SOCIOLOGICAL ADDENDA.

During our 22 months' term of service the following improvements were introduced:

1. Church and Sabbath schools inaugurated in camps where the work had never been started, or where it had been allowed to die.

2. Employment of a camp missionary for Trinidad and Walsenburg districts, and a colored minister who could swing clear of licentiousness and drunkenness to work among those people.

3. New Boy Scout patrols for the camps.

4. Night schools for foreigners to learn English. A public school started for the children at Calcite and an adult school for foreigners, where for 10 years no such advantage had been offered. We secured the willingness of one of the professors of the State school of mines to introduce an elementary mining extension course for each camp. Furnished houses for school-teachers was an innovation approved in several camps.

5. Public-school reading circles, with literature provided by the school board.

6. A new circulating library for the camps.

7. Raised the standard of the public school-teachers.

8. Fire escapes and sanitary drinking fountains for public-school buildings.

9. Motion-picture show placed in almost every camp of the system.

10. Swings and teeter boards built at the steel works and donated to the fuel-department camps.

11. Lotteries in the company stores stopped on the ground that it was teaching the young people to gamble.

12. Current and popular magazines placed on sale at camp stores.

13. An attempt to curtail sale of tobacco and liquors to minors was only partially successful.

14. A sociological exhibit at the Panama Exposition, to include a live boy from each camp, would have been a great success had it received the financial support needed.

15. We were negotiating for the purchase of a Child's Encyclopedia for the camp schools when our relations with the company ceased.

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## THE LAND QUESTION IN THE SOUTHWEST.

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( For exhibits under this subject, see Volume X, pages 9242 to 9290. )

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## COMMISSION ON INDUSTRIAL RELATIONS.

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DALLAS, TEX., *Tuesday, March 16, 1915—10 a. m.*

Present: Chairman Walsh, Commissioners Lennon and Harriman.

Chairman WALSH. I would like to make a little announcement, please.

The hearings of the Commission on Industrial Relations, the commission consisting as a body of nine members, have been held throughout the United States for the past six months by special committees. The special committee detailed upon the question of agriculture, so far as the public hearings are concerned, consists of Commissioner Lennon, at my right, Mrs. J. Borden Harriman, of New York, and myself. It is understood, however, that wherever possible the entire membership is expected to attend. We hope during the week to have an attendance perhaps as high as five or six. The entire special committee is in the city at the present time, and Mrs. Harriman will join us later in the day, she having just arrived.

I want to say that the only public hearing which will be held on the question of agriculture in the United States is the one that is to be held here this week. In addition to the public hearings we hold here and special and intensive investigations into these various questions, the hearing here is the result of a study by Mr. Charles W. Holman, of our investigation department, of several months, supplementing a wider one of many years which he has made in other activities in which he has been engaged.

It goes without saying that this commission consists of three employers, three employees, and three representing the general public. The commission has not yet gotten together definite conclusions upon any subject. There is no particular line of thought advocated, so far as hearings or investigations are concerned, by this commission or any individual member thereof. It is the desire, if possible, to get at the fundamental truth in all these questions and regardless of the tendency of the testimony of any witness to indicate a trend of thought, I beg of you to understand and of the public to understand that it is our desire to get all viewpoints, after which the result of the hearings will be taken up with the reports of the investigators, and conclusions will be drawn to be presented to the Congress of the United States that will make for a stable industrial condition, particularly in respect to land and agriculture, so many witnesses having borne witness before this commission that land is the fundamental basis of all economies.

Now, we are going to call Mr. Holman as the first witness, because he has the outline, and this explanation has been made to the governor of the State and is made to you as the reason why the governor is not called first. After the outline is given by Mr. Holman, the Governor will be the next witness.

Our hearings will begin at 10 o'clock in the morning and continue until 12.30. We resume at 2 and continue until 4.30. Everyone may depend on those as the hours.

### TESTIMONY OF MR. CHARLES W. HOLMAN.

Mr. HOLMAN. Mr. Chairman and Commissioner Lennon, under your direction the investigation staff of this body has been making a study of the land question. A survey has been made of the tendency toward concentration of ownership of the land in this Nation.

A statistical report, which has been completed, shows that this tendency is undeniable. Field studies have also been made of the landlord and tenancy relationships and of agricultural labor problems. General library work has been done and a study of the legal aspects has also been in progress. Some of these studies are not yet in shape for final reports.

I have presumed, therefore, that, as the opening witness in the first public hearing on the American land question ever held by representatives of the



Federal Government, it is your purpose to have me, as one of your investigators, briefly outline the points to be considered, and to define what, in the opinion of the investigation staff, are the fundamental issues involved.

At the beginning of this hearing it seems fit to point out that the United States is perhaps the last of the leading nations to recognize that there is need of fixing upon a national land policy, and that the time is at hand for the people, who constitute this Government, to realize that our land inheritance is slipping away and that its ownership tends to become concentrated just as capital to-day is concentrated.

At the same time a remarkable transformation is taking place in the relation of the so-called tenant of the soil and the half of the United States.

In this connection the tenants, who constitute the majority of the farming population, are arriving at the status of wage laborers rather than the popular conception of them being tenants of the land.

Restricting further our survey we find that in the southwestern territory, or within a radius of 400 miles from Dallas, the question of land ownership has become an imminent one, and the landlord and tenant struggle has reached its most acute state with the most open manifestations of discontent. In this territory certain economic forces have tended to bring about a distinct industrial relationship of the two parties.

It is not my purpose here to delve into the causes, for many of them will be stated by the witnesses who are to follow, while others will be incorporated in the final report of your investigator to this commission. But it may be stated that in this territory a very large per cent of the tenant farmers have slipped away from the old feudal conception of being tenants of the soil, and have dropped into the modern condition of being laborers in fact.

To illustrate this further, the vast body of the laws that have accumulated for the governing of landlord and tenant and the protection of their mutual interests and rights, are based upon conceptions growing out of the feudal institutions. But beside these, other laws have developed, and customs of contract have sprung up, wherein the right of the tenant is the right only of a farm hand, and his title is only a title to the crops that he farms. That is the customary landlord contract that is so prevalent in this country. Mr. Chairman, I was told the other day by a prominent landlord of Grayson County that in his opinion fully 90 per cent of the written contracts in Texas were the landlords' contracts rather than the tenant of the soil contract or the land lease, which is known to the lawyers of this State.

He is subject—the tenant—to the supervision of the landlord. He has no rights of unmolesment such as are implied for the tenant in the laws of feudal origin. We may say, therefore, that the tenant-laborer, or the "cropper," as he is known in the older sections of the South, is very closely akin to the casual laborer, whose case you have heard during other hearings. The main difference between the casual laborer and the tenant farmer is that the casual worker drifts by himself from place to place and may shift over the whole of the continent, while the tenant farmer drifts from farm to farm and carries his family with him by means of the covered wagon.

A recent survey of the shifting farm population of the South has been made by the Federal agricultural census, whose returns show that over 50 per cent of the Southern tenants had lived on their farms for less than a year from which they reported. In view of this situation I submit that the relation of the so-called tenant to the landowner is analogous to that of the waged worker to the employer.

Conversely, the landlord has become the farmer by virtue of this new contractual relation, which is less than 50 years in origin. This is in marked contrast to the condition in some parts of America where the tenant is still the farmer and the landlord has a relation somewhat similar to that of the bondholder or the owner of stock in a corporation inasmuch as he has so supervision over the land and only draws an interest from it. But it should be noted that the same forces appear to be at work in those more prosperous sections that if uncurbed will tend to bring about the same evolution we are now studying in the Southwest.

Before attempting to name the actors and to define the issues that constitute the southwestern land struggle it might be well to call attention to the land question as it may affect the value of wages. The primary interest of the hired worker is the purchasing power of his wages, and any factor that weakens or strengthens this power is a vital concern to him. In late years the American people have been profoundly moved by the decreased purchasing power of their

wages. In a search for the causes of this declining power the concentrating ownership of land can not be overlooked. The effect of such concentration, the effect of absentee landlordism and speculative holding which, when combined with the pressure of population, undoubtedly do make for increasingly high valuations of land. To this may be added competition by the landless for the rented land. Such valuations when above normal put an overhead charge upon the cost of producing and distributing the product by adding unnecessarily to the capitalization involved. Thus every unnatural increase in land values brings about indirectly a decrease in the purchasing power of wages.

How to deal with the American problem of unemployment has occupied the attention of many minds and provoked much writing of a theoretical nature. Among the proposed solutions of unemployment and measures for the relief of congested masses of wage workers in great population centers and for the distribution of the newly arrived immigrant population has been the colonization of immigrants and the inauguration of home-ownership projects for those afflicted with the "back-to-the-land" fever. Those advocating the moving of surplus labor into the country districts still point to large areas of land in America untouched by the plow. It is therefore of vital interest to know whether such relief may be brought to the industrial centers by an increase of rural population, and it is pertinent to ask, Can the surplus labor of the cities be cared for by the rural population? If so, what proportion of it should go upon the land as home-owning farmers, what as tenants, and what as wage-workers?

If the farming population, through unpreparedness for the distribution and sales or for the financing of this increased agricultural production, is unready to receive the city's surplus and the arriving immigrant, would not the effect of such an increase to the rural population be the same as an irritation of an unhealed wound?

In early years large land grants of a doubtful nature were made to promoters of colonization schemes. This refers to Texas. Later the legislatures attempted to limit the tendency toward land grabbing and to aid home building; but such efforts were unavailing to stem the steady movement toward the concentration of the ownership of land.

Forty years ago practically all of Texas farmers owned their land. To-day over half rent the land, and the trend toward concentration appears to be steady. In 82 counties of the State the percentage will run from 58 to 70 per cent in concentrated ownership.

In Oklahoma large blocks of land originally owned by Indians have been wrested from them by white men following the removal of restrictions. Yet the State also was generous to home seekers and to-day aids persons wishing to become home owners. Notwithstanding that, a larger percentage of tenancy exists in Oklahoma than in Texas, and the tendency toward concentration of land ownership proceeds unchecked.

To-day we have in this area a big change taking place that is akin to a struggle for the land. The active participants in this struggle are tenants and the landlords, small landowners, and large landowners, who have their own struggles as against each other, money lenders, banks, and merchants. Those directly or indirectly affected by this struggle constitute practically all of the population of the small towns in the area.

Aside from landlords who live in the country, the concentration of ownership is aided by farmers who moved to town, by town creditors, land speculators, Indian-lease speculators, etc., and a whole host of others.

The native white tenants are found throughout all of the southwestern area. The negro tenant is found mainly in east Texas, in the bottoms of the Red River, the Brazos and the Trinity Rivers, or what is known as the old plantation of the South, which starts and runs in a southwesterly direction from Texarkana. The Mexicans begin with the Rio Grande and form a large part of the labor supply throughout southern Texas. Foreign whites in small numbers have come into the Southwest in the last few years.

In the 40-year period under investigation the rise of an absentee landlord class has been rapid because of the one-crop system prevailing in the South, which makes it difficult for tenants to rise out of their class into the ranks of home owners; the excessive valuation of lands, which makes it very difficult for tenants to become home owners; indirect use of force by large property holders to force small property holders to sell their holdings; seasonal depression of crop prices, which, in times of distress, force the small owners to sell; downward trend of home-owning farmers, which is accelerating the growth of tenancy and



itself results in inferior living conditions, in a greatly handicapped rural educational environment, and into development of caste feeling among those left in the depleted country districts.

More or less friction between landlord and tenant occurs in this area because of (1) oral contracts; (2) differences of opinion in the matter of regulating cropping systems; (3) the movement of the last few years on the part of landlords to raise the rent above the customary one-third and one-fourth; increased capital represented in the soil; competition for desirable farms among the tenants is a contributory cause. Friction also arises with regard (4) to improvements to be made by landlords on farms and other causes the details of which will undoubtedly be explained by the witnesses who appear.

Oppressive tactics of landlords also figure in the causes of friction. These tactics manifest themselves in unwarranted evictions; in the use of force to intimidate renters; in requiring renters to overcrop the land to cotton; in efforts to control elections where land taxes and other matters of policy are involved; and discriminations against tenants because of political or personal reasons.

This transformation of southwestern life has been accompanied by notable reactions, and these hearings should develop to some extent the effect upon the town and country. In this connection the rise of a class-conscious movement among the tenant farmers should be carefully examined.

Any attempts at a solution of the problem reckon with certain complicating factors, among which are the inferiority of the tenant class itself, which is isolated, ill-nourished, poorly instructed, badly housed, and is rapidly assuming the attitude of a dependent class; interracial competition, which is intensified by the competition within the tenant class itself; shifting of rural population; handicaps of the colonization of immigrants, such as land speculation and the laws preventing homeless persons from readily becoming home owners; corporation farming and corporation control of communities, and usury. This last is a very important handicap to any solution of the problem. Later on we may have occasion to have recourse to maps of Oklahoma and Texas, where the commissioners will have an opportunity to see the area wherein land concentration, or rather tenancy, have grown the most rapidly.

Chairman WALSH. How were they prepared?

Mr. HOLMAN. From the last Federal census, from the statistical and mapping division of the commission. I will show that to you in a minute.

By the maps which are here displayed you will see that the problem in this great southwestern area is dominantly a white man's problem. And where the percentage of tenancy is highest we find it is more conclusively a white man's problem. The negro still remains, in major part, where he was originally, before the Civil War. The Mexican has not yet attained sufficient importance as a tenant farmer for him to be a modifying factor.

I have further assumed that the purpose of these hearings is to aid in the establishment of a constructive land policy. The viewpoint therefore should be social rather than individualistic. Not private valuations but social valuations; not private profit but general happiness must determine the point of view. Among the subjects that will come up for consideration in a constructive way are the improvement of the rural school system, cooperative marketing and buying for farmers, cooperative finance, State aid to home builders, the labor and tenant exchange for the clearing of agricultural labor, constructive taxation programs, and citizenship organization.

The evidence so far examined by your investigator points to the necessity of creation of land commissions or courts that will have powers of gathering and determining facts in all matters relating to landlord and tenant contractual relations, and in the promulgating of rules with regard to the disbursement of moneys appropriated by land-purchasing acts of the future.

Such a commission could well be national in character, and part of its duties would be the distribution of that part of foreign immigration that should go to the country districts rather than remain in the city. In fact, such a commission, having in its hands evidence as to the condition of employment in industries, would be the best instrument to deal with the arriving immigrant. Working in cooperation with the State commission or State branches of the general commission it could do much toward settling this present acute problem.

Such a commission should have all the powers of an economic court. In its relation to land problems, if national, it would be similar to the Interstate Commerce Commission. In its relation to State problems it would be similar to, say, the Wisconsin Industrial Commission.

Now, with your permission, I will show this map.

This is a map that was made of the 82 counties in Texas where the percentage of tenancy is at the highest. The effort, therefore, was to find out where the negro was located in order to see whether tenancy is a white man's problem or not. We find the orange section here shows where the negro tenant runs 49 per cent and over. The blue shows where the negro runs from 25 up to 49 per cent, and shows where the white man is located through this area. And, for your information, gentlemen, this area through here is known as the "cut-over timber lands" of east Texas. This area through here [indicating] the cross timber; and this body right through here represents the great "black land" area of this State running possibly down to here, making an area of two-thirds of the size of the State of New York; and it is in this area here where rent concentration or rather tenancy has grown faster. We find by this map that there are 147,000 tenant families in this section in all; and of these 111,000 are white and 35,000 are negroes.

This map which I now show you was made simply to show where cotton is grown, because the tenancy problem in this southwestern country has become almost entirely identified with the problem of cotton, and in per cent the highest per cent goes toward the darkest shading. Perhaps that contrast is not as good as it should be, but we find there are 53 counties where there are under 10,000 bales produced, 35 counties where from 10,000 to 20,000 bales are produced, 34 counties where from 20,000 to 30,000 bales are produced. There are 20 counties where 30,000 to 60,000 bales were produced, and 15 counties producing over 60,000 bales and running up as high as over 120,000 bales. I believe that is Ellis County. Now, wherever you find the highest production of cotton, you find, as a rule, the highest proportion of tenancy in this area.

The same thing is true for Oklahoma. We have taken only the counties in Oklahoma, as we did in Texas, where tenancy runs over 50 per cent, and we have mapped them by color. You will find there that there are, I believe, 47 counties that are maroon, showing where the whites are very few. The blues show that the negroes are concentrated only around the vicinity of Muskogee, which means in the Creek Nation and in McCurtin County, and the negroes only constitute about 8,360 families in this area [indicating] while the white families run 7,925. And if this were compared with the cotton map which we have here you would find that it follows almost identically the progress of the cotton industry, the only difference being that cotton moves just a trifle faster than tenancy has moved in this area.

Here is a map which shows where the foreign-born population of Oklahoma is located. You will see it is practically inconsiderable, only 3,348, and so you see up there it goes from light to dark, showing where there is a high percentage of foreign-born population; therefore in this State they are located almost entirely out of the tenant area.

Chairman WALSH. Did your investigation show that there has been any effort on the part of organizations to locate immigrants, fresh immigrants, or does that only contain statistics as to people that were not born in the United States?

Mr. HOLMAN. This is only the statistics of people not born in the United States at the present time. Of course in south Texas and down in Fayette County there are thousands of people who are really members of or belong to the immigrant class; that is, they have all the feeling of foreign-born people, though they are native-born people, because they have not yet become assimilated and many of them even do not speak English as well as they might.

This map simply shows the proportion of farms owned in Oklahoma, 35,000 there in all. You see it is almost entirely reversed. But that is a map for the whole State, while this former map was only made showing the families represented in a general way of over 50 per cent, which is for the State as a whole, and you see the tenant area running over here; while on the other hand in this section the ranch-land and the school-land lessees and these new people coming in from the Central States going toward a different kind of crop, such as grain, they are located in this section. This is the great grain area where the wheat harvest, the wheat crop last year in the State of Oklahoma pioneered the question of a State employment agency for farm casual laborers.

If you would remember that first map I showed, there is the cotton map of Texas for the year 1913. At first we were a little bit interested to see the tenancy that had made its way out from the black land—this group up here—and it was necessary to map the cotton area to find out if there was not some



close relation between that progress, and that proved to be the case. Of course, that is newer country out there, too.

Chairman WALSH. Which is the newer country?

Mr. HOLMAN. This northwestern country from here [indicating].

Chairman WALSH. Is that confined to what you call the black land where tenancy was common?

Mr. HOLMAN. No, sir; that is the western cross timber. The black lands are through this area, and run probably four counties wide. Mr. Ferguson, is that not the area of the black land? That simply shows the location of the negroes and other nonwhites, the total population of Texas so far as they are concerned. That is the total farm population, you will see.

Chairman WALSH. Of what do they consist; of what does that consist in percentages, would you say?

Mr. HOLMAN. The blanks, that is, the white, show under 1 per cent; that is, 131 counties. The orange, that is probably Mexican, show from 1 to 10 per cent; that is 45 counties; the green running through here, through the black-land belt counties, are from 10 to 25 per cent. They constitute 16,000 acres in 26 counties. The blue here, that filling in places like that, Jackson, Red River, and those types of counties, they run 21 counties, or a total of 15,735. The balance of the counties in black are where the negroes are 40 per cent and over. That is a total of 32,609 of the foreign population there, or 70,000 on the farms. United States figures average 69,000. We put them on the automatic machine and they did not figure up according to the way they had been in the census figures.

Now, if you will notice this area right through here, you will find that that corresponds with what is known in the Federal census report as the plantation area. You will also find that these negroes have been in this section ever since before the war. They have not moved out very much. And you will also find in this section what is known as the East Texas sandy lands, the country where it is to-day pointed out as a country where any poor man can own a farm; yet we find in this same section a very high degree of tenancy. The causes of that may be determined. This is a map of the farms owned in Texas. That map fails in its apparent significance. The Federal census classifies ranches and everything else as farms. We can only take the census figures and map it out in accordance with their figures. All of this country through here is arid country; it is pasture land to a great extent, and it is held in large blocks. The result is that this fails as a classification as far as the population and proportion of tenant farmers in Texas is concerned.

The actual figures on landlord and tenant in this State should take the most of the farming area that has been developed and figure out from that point of view, not from the point of view of pasture purposes. But these in the blue or the purple show the area of tenancy again. And you see the maps work together. This long strip through here is what is known as the black land.

I believe that is about all of the maps that will be of interest at this time, Mr. Chairman.

#### TESTIMONY OF GOV. JAMES E. FERGUSON.

Chairman WALSH. May I ask you, please, to state, for the purpose of this record, what your history has been prior to the time of assuming the office of governor of the State of Texas; your business experience, I might say?

Gov. FERGUSON. Well, I am a native-born Texan. My early training was on the farm. About up to the time I was 18 years of age my experience was on the farm, you might say. After that time I was a railroad man for about seven or eight years. After that time, and for about seven years, I, as they say in Texas, threatened to practice law—for about seven or eight years. After that time for about eight or nine years I was engaged in the country banking business. That brings it up probably to the present date, or to at least the advent of my personality into public life.

Chairman WALSH. Have you held any other public office in the State of Texas prior to your election as governor?

Gov. FERGUSON. No, sir.

Chairman WALSH. Prior to your—and you assumed this office on what date?

Gov. FERGUSON. The 19th day of January, 1915.

Chairman WALSH. I have a few specific points suggested here by Mr. Holman that I will direct your attention to, and then, of course, you may make any statement that you think will throw any light upon the subject as outlined here.

First, I would like you to give us a short sketch of what might be termed the development of tenancy in Texas, land tenancy, the type of tenants as they come in during the past 44 years, and who they are, their origin, etc.

Gov. FERGUSON. Yes. Well, I may preface that statement by these general facts that are well known:

Texas in 1836 had a population of 52,000. By calculation it developed that we had then approximately 3,200 acres per capita to the population of the State of tillable land, or land that could be susceptible to cultivation.

Coming on down, jumping on down to your statement, we will say, the development of tenancy which took place soon after the reconstruction era of the South, I think the population in Texas (probably I have the memorandum) in 1870 was 819,000, reducing the per capita land area in Texas to 205 acres. The next 10-year period, up to 1880, we find the population a million and a half and the per capita area reduced to 105 acres.

Chairman WALSH. Generally speaking, what was the development of urban population? That was during the period when a very fast and vast growth was being made in the cities.

Gov. FERGUSON. Not through the period I am speaking of. Now, most of the population was in the country, and it is only within the last 20 years, you might say, that city population is beginning to be of moment in Texas.

In 1890 our population had increased to two and one-quarter millions, reducing the per capita acreage to 75 acres. In 1900 our population had increased to 3,000,000, reducing the per capita acreage to 55 acres.

Chairman WALSH. Do we still have in mind the tillable land, Governor?

Gov. FERGUSON. Yes, sir; that is the tillable land. Not the improved land, but the land that is susceptible of cultivation.

In 1910 our population was nearly 4,000,000 and down to 42 acres per capita, and, estimated under the same basis of increase, taking our population at an estimated amount of four and one-half millions now, we would have 37 acres per capita of tillable land in Texas.

I make that preliminary statement, and it has at least an indirect bearing upon the cause and development of tenantry in this country.

Getting back to your original proposition, the tenant system started in Texas in about 1870, which was at the end of the reconstruction period in the South, and the people then began to turn attention to the real development of the State. In that day and time—I am speaking now largely from my own early knowledge, because I am an old settler in Texas; I have been here 44 years—about that time. In that day and time the condition of the tenant was not bad. I can remember up in the early—possibly 1890—the tenants had a great many privileges. I can remember especially, back in the early days, that one of the customs in my country—in central Texas, where I was raised—was that when a tenant wanted to rent a farm from a landlord, one of the conditions was—one of the questions—“How many cows are you going to furnish me to milk free of charge?” And “How much pasture are you going to furnish me?” And that condition continued, I might say, up until approximately 1890, when we began to have, as shown by the census record, we began to have the great increase in population, and naturally the acreage per capita began to decrease, and those privileges were gradually eliminated; and as land began to become more valuable the landlords began to exact and eliminated a great many of the advantages that had been allowed the tenant.

I would say that back in the early period, from 1880 to 1890—1870 to 1880—the houses of the tenants as compared with the houses of the landlords were better then than they are now.

The real problems of tenantry began to develop when land became valuable in Texas. The real cause for the need of agitation or interference on the part of the Government to deal with the tenant question had its real inception in the increased value of the land. As long as land was worth from \$25 to \$30 an acre, based on the earning power of money, the land could easily produce 10 or 12 or 15 per cent on its value on the share system, which was the system inaugurated by the people of the South. But just as soon as land began to get valuable the land holdings began to decrease per capita. The natural desire of a man was to get as much revenue out of the property as possible, and he began to exercise his rights and to consider the question of an increased revenue from his land.

The question of the third and fourth system, as we understand it in the South—after the reconstruction it became so thoroughly ingrafted on the population of the South, and the people had so long recognized its equitable



proportion as the real equitable division between landlord and land tenant, or I should say between the landowner and land tenant, that long before any man thought of asking an increase in his land he recognized that question had to be approached with much trepidation. But as the land began to get higher, the people, from this desire, based on the earning power of money, began to advance the argument—and right here I might say as an incident to this increase in rent comes in the question of absentee landlordism.

It is my opinion, and I only give it as my opinion, but based on the observation of a lifetime in Texas, that if it were not for absentee landlordism in Texas we would not have any discussion or agitation of the question of rent. As a practical proposition the absentee landlordism works out this way: You take a man who has 350 acres of fine black land in Texas in the cotton district, as delineated on the map here; that the landlord can live on that 350 acres and absolutely live like a lord and have all the comforts and conveniences that the ordinary man wants who is willing to live economically and frugally. But by and by that man takes a notion that he must move to town, and he goes to town, and he gets acquainted with a railroad president, and he gets acquainted with a merchant who is worth ten times what he is worth, and, in other words, he gets into high society, and pretty soon that 350 acres of land won't support him; he can not keep pace with the people he tries to run with in town; the old division of the rent of one-third of the grain and one-fourth of the cotton does not meet his demands; and consequently in his dilemma he begins to do the best he can and goes back and raises the rent on the poor fellow in the country; and in that way, when he goes to raise the rent, the tenant will say, "I want you to build me a better house if I am going to pay more rent"; and he says, "I can't afford it. My family expenses are such in town that I can't stand it, and therefore you will have to do with the old house you have now." And it is such attempts on the part of people who would make good farmers to make city people that has had as much to do as any other one cause to produce the rise in rent in Texas.

An estate in the country which heretofore would support a man in affluence in the country will not, of course, support him in the city, and he tries to make ends meet when they will not meet, and that is one of the great reasons for the discussion of the land question in Texas.

I noticed in my campaign, if you will pardon the personal allusion, a thing that corroborates the statements I am making about absentee landlordism. The landowner who lives in the country and who is identified with the trials and tribulations a man has to make to live in the country—that man found no objection to the general proposition of the increase in rent—or I mean the proposition to restrict any increase in rent—and the man who really lives in the country and who has always made his estate by working under conditions which we have had in Texas for 30 years realizes that society and the Government must deal with the question of the equitable adjustment of rent. He realizes that no hairbreadth distinctions or finespun theories about the Constitution can be urged to meet the humane side of the question. He realizes, as a practical proposition, that if he claims the right to come in and take too much of the production of the soil by the tenant, by his own contract powers, that sooner or later, as the government rests on the consent of the governed, that that right may be taken away from him and that after all his contract rights are no stronger or more stable than the honor and integrity of the people who support his Government and really give sacredness to his contracts.

Now, one other matter: I do not know whether you called attention to this or not, but we have in Texas under the census of 1900—

Chairman WALSH (interrupting). Have you the same outline the commission has furnished through Mr. Holman—the memorandum of subjects?

Gov. FERGUSON. Yes; I am following that. I may refer to it in a disjointed way as I have not had time to prepare a statement.

Chairman WALSH. Just so you have the subjects before you.

Gov. FERGUSON. The census of 1900 showed we had 219,000 tenants in Texas and the census of 1890 showed we had 190,000, or an increase of 29,000 or about 3,000 a year. By the same proportion of advance or increase, and I think it has even increased in a greater proportion, we will have in Texas now about 245,000 tenants, and I believe it is disclosed even by the map—I have not looked at it but I am glad to see the map corroborates the statement—that four-fifths of that number live in the black lands of the State, approximately that much in the black-land or cotton-growing area of Texas, which is approximately 10,000,000 acres of land. I might say that of the 165,000,000 acres in Texas

suitable for cultivation, there is now only about 30,000,000 acres of land that are really improved and being cultivated.

Chairman WALSH. What were the first figures you gave—how much was susceptible of cultivation?

Gov. FERGUSON. The best information available shows approximately 165 or 170 million acres of land susceptible of cultivation, probably not over one-fifth of that being in cultivation or improved land. Now, in this 10,000,000 acres of land, in which reside four-fifths of the population—

Chairman WALSH. At that point, have you any information or any theory as to why there is not a higher development in the potential tillable land—usable land?

Gov. FERGUSON. It is because we are a new country. That is reflected in the population and its growth from, in 1870, 550,000 people to 4,500,000 people; and just as soon as we are as old as probably Kansas, your State, in development, we will have a greater proportion of tillable area in cultivation.

Now, four-fifths of the tenants of Texas, as reflected by the maps, approximately live in the black lands which I estimate at about 10,000,000 acres of land. I further estimate that 3,500,000 of this 10,000,000 is worked by people who own the land, and 6,500,000 acres is worked by 200,000 tenants—about 30 acres to the tenant. The Federal census further gives this information which is worthy of comment in this connection: On the basis of 1910—

Chairman WALSH (interrupting). You say that is 30 acres to a family?

Gov. FERGUSON. That is approximate.

Chairman WALSH. Now, do you think, Governor, from your experience, that that could be reduced any, or is it being done as intensively now as it could be?

Gov. FERGUSON. No; it is not, in my opinion. Whilst we are a great farming country and we have some of the smartest people in the world now tilling the soil, I believe we have just now begun to study the question and to learn something about intensive farming in Texas. And I believe that under scientific methods we will increase our production 50 per cent after a few more years of cultivation and study along the lines that the Government seems now in a humor to assist.

The Federal census showed in 1910 that out of 219,575 tenant farmers, 17,500, or less than 10 per cent, paid a cash rent. From my own personal observation, and from the absence of any better authority, I estimate that 60 per cent of the total number of tenant farmers of Texas do not pay a rent in excess of a third of the grain and a fourth of the cotton. The remaining 30 per cent, or, in round numbers, 65,000 tenants, pay more than a third and a fourth. I said a while ago that the increase in rent is of comparatively recent occurrence. I was born and raised in Texas, and I do not recall in my own personal experience, though I have lived a great deal on the farm, and always in the country, of ever having heard of a man charging rent to exceed one-fourth of the cotton and one-third of the grain prior to 1900, as an actual occurrence. I possibly may have heard it discussed, but I never knew personally—

Chairman WALSH (interrupting). Yes; please describe in detail, Governor—and I assume, of course, you are very familiar with it—but please describe in detail for the record that system of a third and a fourth shares in tenant farming.

Gov. FERGUSON. Yes; I am glad you mentioned that. The third and fourth system, known in Texas and understood by Texans, is this: That the tenant, usually in a verbal contract—only in rare cases is any other kind of contract entered into—agrees to rent a given number of acres of land on condition that the tenant will pay the landlord one-third portion of the grain raised on the premises, such as corn, oats, wheat, barley, rye, and other grain crops, of which probably not so much is cultivated in Texas, and upon the condition that he pay one-fourth of all the cotton raised. The settlements under those contracts are made in various ways, but that that is commonly practiced of late years is to divide the proceeds of crops. The tenant makes the crop, sells the crop, and has the purchaser of the crop make him a written statement signed by him, or by some of his agents, stating how much he has purchased of the tenant and the price paid; and with that statement the tenant goes to the landlord and makes a settlement, and he says, "Here is my evidence of what I have received from my crops, and under the proportion of one-third of the grain, one-third of this amount I owe you." That is usually paid by a check on a local bank, and the same rule is followed almost universally. Now, in ref-



erence to cotton—in the early days they had a system of dividing the crop itself. If a man had 4 bales of cotton the landlord got one; and when he went to gather the corn out of the field—and that is the system now, where the crop is not sold—he would divide by the wagonload of corn, and in many instances they even divided the rows in the field; but of late years the common practice is to divide the proceeds of the sale.

Chairman WALSH. Please describe, while you are right there, Governor, what the tenant furnishes under such contracts and what the landlord furnishes in the way of improvements, implements, or anything of that kind.

Gov. FERGUSON. Yes; under the third and fourth system the landlord furnishes the land, furnishes the premises on which the tenant resides, and that is about all he does furnish. The landlord furnishes the teams, tools, seed, and supplies—

Chairman WALSH. You mean, Governor, do you not, the tenant furnishes the team and tools—

Gov. FERGUSON (interrupting). Yes; the tenant furnishes the team, tools, and feed, and agrees to keep the fences in repair in certain areas where it is applicable; he agrees to work the land in a good farmer-like manner and not to let any Johnson grass or cockleburrs, or any growth that is a menace to the fertility of the soil, get hold—keep it from going to seed. We have also in this country a system known as the “half system,” referred to by Mr. Holman, which is more prevalent in the districts cultivated by the negroes—the negro population of the State. Under that system the landlord furnishes the land, the premises on which the tenant resides, furnishes the teams, the tools, and the seed. Under that system the tenant receives only half of what he produces, and the landlord, of course, receives the other half. The half system is not practiced to any great extent only in the river bottoms, and largely where the negro population predominates, although you very frequently find tenants farming on halves in the black lands of Texas; but that is not a general custom.

Chairman WALSH. Might we ask you, Governor, to please describe any bonus systems you are aware of, while on that subject?

Gov. FERGUSON. I was only describing the third and fourth system. The bonus system is the new issue in Texas. With the increase of the value of land about which I was just speaking a while ago came the bonus system. Under the old rule, where the land was worth only twenty-five or thirty dollars an acre, of course, getting a third of the grain or a fourth of the cotton, under the average productivity of the soil, it was easy for the landlord to get his rent or return on his investment; but as soon as land went up to a hundred dollars an acre, where the landlord began to reason with his tenant like this: “Now, money is worth 8 per cent. My land is worth a hundred dollars per acre. Therefore I ought to get \$8 an acre return upon my land, and a fourth of the cotton will not produce \$8 an acre, therefore I am going to ask you to pay an additional rent, which will make a total of \$8 an acre, and therefore, in order to bring that about,” he says, “they have estimated what would be the value of a fourth of the cotton,” and we will say that that was found in a given year, at the prevailing price, to be \$5 an acre. The landlord says, “I am entitled to get \$8 an acre, therefore I am going to ask you, Mr. Tenant, to pay me \$3 an acre additional.” And that is what we call the bonus in Texas. The bonus is the additional cash rent or additional amount of rent, I had better say, paid to the landlord in addition to the third and fourth system demanded by the landlord.

At first blush it would seem that the landlord had a good case, that his argument was to an extent well founded, but as against that the tenant says, “Yes; that is true that your land has gone up and it is worth a hundred dollars an acre, but you did not produce the increased value of the land altogether by your own action. It is by virtue of the fact that my wife and family are willing to go into the field and work your land and produce these crops and demonstrate the fertility of the soil, and that this country will support an agricultural population; and by reason of all these influences, in which I have had a part, your land has become valuable, and therefore you have no right to take from me a rent which would be an oppression and a burden to me—that you would have no right to take such an amount of rent as would distinctly impair my ability to raise my children in comfort and have some conveniences and the same privileges, at least, of education which you, the landlord, give to your children.” And furthermore the tenant says, “You ought not to charge an increased rent; that, notwithstanding your land has increased in value, its productive powers have not increased proportionately; that the land now does

not make any more cotton, does not make any more corn, than possibly it did 30 years ago, when your land was not worth one-third of what it is now."

And those are the two contending arguments around which springs up the discussion of what is known as the bonus system in Texas.

In a great many instances instead of charging any proportion of the crop—and this is a custom largely operated by the absentee landlord, who lives in the city and goes in high society—the landlord says, "I haven't any time to bother with the question of the settlement of rent. Therefore I want a cash rent, and I want that rent to be sufficient to pay me an earning power on my money. Therefore I want \$6 or \$7 or \$8 an acre rent money."

The Federal census shows that in 1910 even that feature had grown to the proportion that 1,700,000 farmers, white tenants, in Texas were paying the cash rent. And that is a distinct hardship to require the tenant to pay cash rent, because we have not reduced in Texas to a science the certainty of making a crop. We have seasons that come and go in Texas, and consequently some years we make good crops and some years we make bad crops. Under the cash-rent system the tenant would have to pay his cash rent even if it took all his part of the crop; and that would even deprive him probably of enough to live on. To illustrate, I can tell you of a case of an actual occurrence in my county—Bell County—in which is situated the town of Temple, the best town in Texas—I want that to be read in the record—an absentee landlord who owned 1,430 acres of as fine waxy black land as could be found in Texas, and who was renting his land for \$8 an acre cash rent, and I was speaking about an actual up-to-date occurrence—this year the land had been worked well by the tenant paying \$8 an acre, and upon that place of 1,430 acres there were some 25 or 30 families. In August, as had been their custom for years, they went into the town of Rogers and said to the merchant, "We are now beginning to pick cotton, and we have come in to get cotton sacks, which we buy every year to pick this cotton, and we want also a little additional increase"—an additional food supply in the nature of bacon of probably not very high grade, or a quantity of flour which is probably not a very high grade—"and we want to begin to gather the crop with which we want to pay you our store account, which we have contracted during the year." The merchant said, "Oh, no. Conditions have changed. The war has come on, and cotton is worth only 6 cents a pound, and your land, while you have worked it well, will not exceed a third of a bale to the acre, and you are paying \$8 an acre money rent, and therefore a bale of cotton worth \$30 a bale, or 6 cents a pound, it would take almost all the cotton, the entire crop, to pay the landlord; and therefore you would have no ability, however good your intention might be, to pay us. And therefore we would rather take our loss now than to advance you bread and meat with which to continue work."

There was a peculiar condition which will arise every time we have the money Shylock in this country who wants a cash rent. There was a group of 30 families who have worked hard; their children had gone to the field and helped make a crop; and they had the land in fine shape, and had made the crop ready for harvest. Yet we witness the anomalous condition, the spectacular condition we might say, of families who had done that, who had lived frugally, we might say—frugally does not express the term—they had lived in a niggardly way, just as little as they could get through with to work the land, and yet at the time when it would come time to harvest the crop they were deprived of the right to eat meat and bread because of high rent.

To show you how everybody was interested in this question, as soon as it was known that this landlord was insisting upon the cash rent of \$8 an acre the whole neighborhood began to discuss it. The doctor who had practiced for the tenant during hours of sickness began to see that he was interested, for the first time, in this land question; and that what had seemed to him heretofore none of his fight, after all, there was an economic condition in the production of the land, or he would have to go out of business. The merchant had already come to see how it would affect him, and the blacksmith who did work for the tenant began to see things the same way. So a mass meeting was held. No attempt or no expression of violence was made, as better counsel prevailed. The tenants of Texas are yet the most patriotic people that we have. They constitute, perhaps, and are as well informed as the average man in this country on public questions; through the medium of the rural system of mails they are informing themselves. So better counsel prevailed, and they said to the landlord—

Chairman WALSH. Might I ask you whether there had been what you might call sporadic talk of violence before the people got together?



Gov. FERGUSON. Well, no, sir; there had not. That is one of the points I want to emphasize—that notwithstanding the fact that here were 30 families who had been denied the right to eat bread and meat there was no expression or talk of violence. And after the meeting they said: “Well, we want to respect the right of property, and we owe a higher duty to our family—that is, to at least feed our families—and if we can’t get the right, if we are denied the right to eat bread and meat, we believe we have a right to go elsewhere.” So they said to the landlord: “Here is your land; we give it back to you, with the crop which we have made; you take it as you please.” Made him a present of it. Then the doctor, the merchant, the blacksmith, and everybody that had done business began to see then that it was their question and was their fight; that it was for them to take an interest in this land question. And there is one of the great questions, one of the reasons why this land question is a question that must involve the attention of everybody.

Chairman WALSH. You say this landlord owned 14,000 acres?

Gov. FERGUSON. One thousand four hundred and thirty.

Chairman WALSH. One thousand four hundred and thirty acres of land?

Gov. FERGUSON. Yes.

Chairman WALSH. In Bell County?

Gov. FERGUSON. Yes, sir.

Chairman WALSH. Who is this landlord?

Gov. FERGUSON. The Seely interests, I understand, of Galveston.

Chairman WALSH. Is it in corporate-form ownership or individual?

Gov. FERGUSON. No, sir; it is private ownership.

Chairman WALSH. Owned by individuals?

Gov. FERGUSON. Yes, sir. And when that condition was put up to them they began to see that the absentee landlords did not know the question as being developed on their own territory; they have never lived on the land; never saw it. So they met the situation and realized, and said: “Yes; after this method is explained to us we acknowledge that the tenant has some rights as well as we have.” And the very day that that was done and the very hour that that was done every farmer went in and was able to continue to support the family, and everything went along satisfactorily. I only mention that—

Chairman WALSH. I just want to ask you, just following that out, were credits restored to normality?

Gov. FERGUSON. Immediately the merchants, who had heretofore refused to let the men have bread and meat, invited every one of them to come in and take the side of bacon or the sack of flour. But I only mention that as showing one of the evils of the cash system of rent, the inequitable side of a tenant in a country that has seasons which may be good this year and bad next.

You have outlined here the effects of the European war upon the Texas cotton situation and upon farming interests. The European war was responsible for one of the conditions, which is typical of Texas, I have just related. It is an ill wind that blows nobody good. The European war, with all its horrors, has at least had this good effect upon the cotton resources of the South; that is, that they must feed themselves and live at home. The tenant who cultivates largely the farms of this country can’t do that by himself. He must have the cooperation of the landlords of the country. And I am glad to see that the landlords of the country are meeting this question, and I believe that they are patriotic enough, that they are yet fair enough to meet this situation, and extend to the tenant such facility and aid as will enable him to live at home and thereby be enabled to either hold his cotton until such time arises that he can sell it at fair prices, or that he can sell it at a low price and not be inconvenienced like he is at present—that is, with his whole income depending upon what he gets for cotton.

The landlords realize that the very value of their land depends upon the price which farm products bring.

And in addition to their patriotic interest in this, the matter of self-interest to maintain their standard of present land values that they are going to have to meet this question, and enable the tenant to raise more hogs, to give him more land, to run one or two dairy cows, and to give him a little more land to plant in corn and other grain crops, food crops, that will sustain animal life. And to that extent the European war has been a blessing to the people of the South. I do not believe that another war in Europe will ever have the depressing effect upon the finances of this country as this one has had. We have had a good example, and this will demonstrate to us the absolute necessity of living

at home. We can do it. The South is peculiarly adapted to the raising of such crops as will support life without the aid of the purchases of other countries.

This may not be exactly pertinent to this question now before you, but I am going to throw this right into the record. You can get on the train at Dallas, Tex.—it is pertinent upon the question of the diversity of farming we can practice in Texas—you can get on the train at Dallas, Tex., and you can ride to St. Louis, across over the B. & O. Railroad to Washington, and from there to New York. You can then take the New York Central back by way of Buffalo to Chicago, down through Kansas, and over the Santa Fe and back into Texas, to Dallas, Tex., and you can take with you a notebook and make a note of what the people raise, and every 50 miles of that journey, and you won't find any country but that in Texas the same thing can be raised in any particular line. That may seem like a startling statement, but investigation will demonstrate that that is true. In none of these countries after you leave St. Louis will they have the advantage of the cotton crop that we have in the South.

I only mention that to show that we can meet the question of diversification; that of all the countries under the sun Texas ought to be the greatest diversified farming country in the world; and if the landowners will assist the tenants, who are willing to work their lands, develop intensified farming to a great degree, we can make it the greatest country in the world.

As to the resources of the State, I make this further comparison: The World's Almanac, which is an authority in the East, and an authority the world over, will, I think, bear out this statement: That the farmers and stock raisers of Texas produce and sell approximately \$85 per capita in the black-land region where the cotton is raised.

Chairman WALSH. Commissioner Lennon asks whether that is per annum?

Gov. FERGUSON. Per annum; yes. Produces and sells per annum. In the black land—that is, including all Texas, the arid region of Texas. In the black-land area of Texas—really the farming area of Texas—I dare say the figures will show that it is considerably over a hundred dollars per capita. When you compare that with the New England States, the figures given by the World's Almanac do not disclose much other than that of dairying and some things along that line. But the fact that the World's Almanac does not disclose what it is shows that it is of no great amount or consequence. And I remember several years ago when I was in Albany, N. Y., discussing this very question with some bankers, that they ventured it as their opinion that to take New York City and put it off in one side by itself and not count that great population, that the farming and stock-raising interests of New England, the New England States, did not produce and sell \$10 per capita as against \$85 in Texas. That, of course, is stated for the purpose of showing the great natural resources of Texas.

Commissioner LENNON. Governor, this \$85 would mean in a way the wage per capita; that is, it would be the annual earning per capita of \$85?

Gov. FERGUSON. Yes; comparatively speaking, you might call it that.

Commissioner LENNON. Well, then, would not, so far as the agricultural interests are concerned, that—would not out of that have to come the teams, the maintenance of their teams, their feed, and seed for the planting of the crop?

Gov. FERGUSON. That would in either instance; sure.

Commissioner LENNON. Yes.

Gov. FERGUSON. But you can see if it came out of the \$15 as against the \$85 how much advantage we would have.

Now, the question then comes, in line with one of the heads outlined here, about what are the chances of the tenant to secure a home in Texas.

Chairman WALSH. Have there been many foreclosures of chattel mortgages growing out of the changed conditions on account of the war in Europe or lately on account of various reasons?

Gov. FERGUSON. No.

Chairman WALSH. This year?

Gov. FERGUSON. Comparatively few. The people of the South, when we get into trouble, it looks like they lay aside self-interest and get together, and the business interests of the State, including the wholesale people and the bankers of the State, have done more than their duty in this crisis that has confronted the South. They have extended their credit limit, it must be said to their credit, in order to protect the situation, and there has not been, so far as my knowledge and observation goes, a desire to oppress anybody under these conditions.



Getting back to the question I started to answer about the ability of the tenants, as outlined in your heading here: "What are the chances of a tenant to secure a home in Texas?" When you consider the fact that we have approximately only one-fifth of our land improved in Texas—that is, susceptible to cultivation—and that we have at least 75,000,000 of acres of land that are not susceptible to agricultural population, that it ought to be easy for the tenant to secure a home. Probably it is as easy in Texas as in any other country. But there are difficulties in the way that would have to be overcome and met by the business people of the South and financial interests looking to the encouragement and the acquiring of homes by the tenants of the country. The tenant, under present conditions, does not have much chance to lay aside a surplus. Consequently a new régime, a new policy, a new land policy has to be worked out in the South with a view to settling the people upon their own homes. One of the great needs at this particular time, especially at this time when the country is suffering from financial depression as a result of the war—one of the great needs at this time is having a facility and an outlet for farm mortgages in Texas. That question will be a question of much importance to be discussed in Texas soon. The question is up for discussion now.

Chairman WALSH. Might you suggest, Governor, we seem to have omitted it in our outline here, in a general way, the method of lending money in vogue in Texas at the present time as compared with the past?

Gov. FERGUSON. There is no perceptible difference in the mode of lending money now from what there was 30 years ago, only in the volume of money loaned. Thirty years ago, I venture this as an assertion; I have not looked up the record, but the records of any county disclose very few, if any, foreign money loans in Texas on farm land. I would say, though, that about the year 1890 a large quantity of money began to be poured into Texas by foreign loan companies, and loaned to people with which to buy homes and to carry indebtedness already contracted for homes. And that has been a source of great help to the State of Texas to not only increase the value of the land but to aid the settlement of land.

I venture this statement right here, and I believe the business men of the country would bear me out, that if Texas had to pay to-day the foreign money that we have loaned on the farms of Texas that land values would decrease 50 per cent, because it is only by virtue of the fact that the man who goes on the land and stays there, wants to make it his home, that real land values are maintained in this country. If he is called upon to pay his loan and could not pay it, he will sell his land for whatever price he can get, and that naturally would tend to confiscation; the stronger the debtor demands his money and the more general as the demand for payment of debts, of course, the less the land would bring under the hammer, as we call it, to pay the indebtedness against it.

Chairman WALSH. You gave us in passing, Governor, a description of the efforts in one acute case in your own county of tenants to secure credit.

Gov. FERGUSON. Yes.

Chairman WALSH. Is there a general system by which tenants, referring to loans, secure credit in Texas?

Gov. FERGUSON. Yes; there is a general system. And without in any way reflecting upon the people who are engaged in the credit business supplying tenants on a credit system, no man can be condemned for going out and using any opportunity that presents itself for profit—but I am only speaking of the system, the effect of the system, without in any way intending to reflect upon the people who are engaged in that class of business. But the credit system for the supply of tenants under the system of chattel mortgages, taking a chattel mortgage on the crops has a very distressful influence, I might say, at least, upon the ability of the tenant to purchase his supplies at an equitable price. The system in vogue is that when a tenant contemplates making a crop to go to what is known as the credit store and he says: "I am working 50 acres of land on Mr. John Jones's place out here, and I hope to plant about 40 acres in cotton. I want to get a hundred dollars' supplies during the year." The merchant, after making such investigation as a prudent man would, says: "All right, I will loan you this much money, advance you this much of supplies"—they do not loan any money—"I will advance you this much of supplies, but as a condition precedent to this relation I will ask you to execute a chattel mortgage on your entire cotton crop and corn crop to be grown on John

Jones's place during the year." The tenant then begins to purchase so much on his account.

Chairman WALSH. Is there a regular chattel mortgage given, a filing fee charged, and everything?

Gov. FERGUSON. The regular chattel mortgage is given and filed for record. The merchant then naturally uses his opportunity to at least see that he don't sell anything to the tenant upon which he does not make at least a reasonable profit. I am sorry to say that in certain instances their cupidity seems to have been greatly excited, and they have charged prices that probably are out of the line of equity, which has had and must have a very bad effect upon the earning power of the tenant.

Chairman WALSH. Is there a fixed sum stated in the mortgage and a note given for an estimated sum?

Gov. FERGUSON. Usually a fixed sum. And generally a further condition in the chattel mortgage which covers any further indebtedness which might be contracted. But in any event to cover whatever is contracted for, either by account, note, or otherwise.

Chairman WALSH. Do any banks loan on such chattel mortgages?

Gov. FERGUSON. Yes; they do. But that is generally to people who are probably financially situated—

Chairman WALSH. Is there any connection between the bank and the mercantile company, we will say, or the individual engaging in the mercantile enterprise with reference to this? Do they advance him money?

Gov. FERGUSON. Yes.

Chairman WALSH. Does the bank have an interest in it to that extent?

Gov. FERGUSON. Yes; very many times that is the plan in vogue, that the bank in a certain locality would refuse to make such a loan to that man. Where he is interested in the store he would say, "Well, that is not available at this time, you go down to So-and-so, a credit merchant," and he makes the trade with them under the system which I have just related, and then that paper is brought to the bank and rediscounted. The banks, though, where they use that character of paper are more liberal, and a man rarely ever pays more than the legal rate of interest.

Chairman WALSH. Is this in vogue in what might be termed isolated communities; that is, with reference naturally to where there is a large number, the trade of the tenants would naturally be at one store, so far as a town is concerned?

Gov. FERGUSON. No, sir. The credit system is in vogue all over Texas. It is very general, and I am sorry to say that the plan seems to be growing.

Chairman WALSH. Does the merchant seem to have a very great advantage in dealing contractually with the tenant under those circumstances?

Gov. FERGUSON. Absolutely.

Chairman WALSH. So far as the prices are concerned after the mortgage is made?

Gov. FERGUSON. Absolutely. He controls the situation. If the tenant demurs at the price of some article, the merchant will say, "All right, we will not do any business. That is my price." The tenant then either has to take that or starve. He can not go somewhere else and make another chattel mortgage, because the merchant already has one.

Chairman WALSH. Under the terms of such a mortgage, then, do they have the right of foreclosure in case of a dispute between the tenant and the merchant?

Gov. FERGUSON. Yes. Some of the mortgages are very cruelly drawn. They provide for declaring the whole thing due before maturity under certain conditions, largely in the discretion of the merchant. That is one of the problems, one of the great advantages of diversification. If the farmer, whether he be tenant or landowner, if he can begin to feed himself he will not have to buy from the credit merchant, he will not have to buy any more meat or flour. And by living at home that is one of the great advantages that can be gained from diversification. The man sells his products at whatever they ought to bring, without having the prices fixed by the merchant.

Chairman WALSH. At this point we will stand adjourned until 2 o'clock. Kindly resume the stand at 2 o'clock, Governor.

(At 12.30, Tuesday, March 16, 1915, a recess was taken until 2 o'clock in the afternoon of the same day.)



AFTER RECESS—2 P. M.

Chairman WALSH. The house will please be in order, and we will now proceed. Please resume the stand, Governor.

I am going to ask you a few specific questions, if you will permit, but on your outline. Under the existing system, what is the chance of the average tenant becoming a farm owner in your own county?

Gov. FERGUSON. You mean proportionately, how many of them out of the total number?

Chairman WALSH. What is the chance of a tenant becoming the owner of land in your county, considering the price of land, his opportunity to earn as a tenant, and any other economic considerations?

Gov. FERGUSON. You say in my county?

Chairman WALSH. Or in your section?

Gov. FERGUSON. Not one in fifty.

Chairman WALSH. What is the average price of land to-day in your county?

Gov. FERGUSON. Eighty dollars an acre.

Chairman WALSH. What is the legal rate of interest in Texas?

Gov. FERGUSON. Ten per cent on contract; 6 per cent is the legal rate.

Chairman WALSH. What is the actual interest rate paid by tenants on chattels?

Gov. FERGUSON. About 12 per cent.

Chairman WALSH. How much land can a one-team tenant farmer farm?

Gov. FERGUSON. That depends upon how many children he has. Take the average farm tenant with five children, he can work 30 acres of cotton and 10 acres of corn.

Chairman WALSH. What will his income be?

Gov. FERGUSON. That will depend on prices. He will make off the 30 acres of cotton 10 bales, and it would amount, at the average of the present prices, to \$500 in round numbers.

Chairman WALSH. For the whole family?

Gov. FERGUSON. Yes.

Chairman WALSH. Just briefly—you say five children?

Gov. FERGUSON. Yes.

Chairman WALSH. What would the five children have to do? How old would they have to be? What part would they take in the farming operations?

Gov. FERGUSON. They would help on the crop in the hoeing season and in the picking season.

Chairman WALSH. Please tell us, because we think it has a significant bearing on the question, the part the land question took in the late campaign, the extent to which it has been thrust into the political life of Texas.

Gov. FERGUSON. That is a comparative question. To use a vernacular, from the time I announced for governor on one of the main planks, the landlord and tenant plank, there has been something doing in Texas politics ever since. That is largely by reason of the fact that we have in Texas probably a voting population in the Democratic primaries of 400,000 in round numbers, and half that number are tenants, and this affected them directly; and consequently you can readily appreciate that legislation affecting the income of half the voting population of any district must of necessity cause great interest and, without meaning in any way to throw any bouquets at myself, of all the questions introduced into Texas politics in late years, there has been nothing that has caused as much widespread discussion.

Chairman WALSH. What is the land plank, or what was the land plank, in the campaign in which you were candidate for governor?

Gov. FERGUSON. It was to restrict the amount of rentals which the landlord might charge to one-third of the value of the grain crops and one-fourth of the value of the cotton crop, and to make it usually subject to a penalty of double the amount collected in excess to be paid by the landlord to be recovered in any court of competent jurisdiction, in case anyone attempted to charge more than that.

Chairman WALSH. Has there been any legislation upon the subject, yet?

Gov. FERGUSON. Yes; the bill was passed.

Chairman WALSH. Was passed?

Gov. FERGUSON. Overwhelmingly; five to one in both houses.

Chairman WALSH. Commissioner Lennon asks me to ask you in case of the 1-team tenant on a 40-acre tract such as you have described, what the expenses would be, to be paid for team, seed, etc.—what might be called the fixed charges, overhead charges—for carrying on the operations?

Gov. FERGUSON. Well, take a 1-team tenant, the 2 horses would eat approximately 50 bushels of corn each, which would be 100 bushels of corn for the team, and at the present average prices that would be worth \$75. His own living expenses would be at least \$25 a month, making \$375. That is just for provisions and supplies. The rest of his income would scantily clothe his family.

Chairman WALSH. What supervision, if any, is exercised or attempted to be exercised over the tenant as to the crop he shall raise and the proportion of products?

Gov. FERGUSON. It has been the custom in Texas for 40 years, I should say, for the landlord to require the tenant to plant the greater portion of his crop in cotton.

Chairman WALSH. Does the mortgagee in any instance exercise any supervision or direction over the tenant?

Gov. FERGUSON. Yes; it has been the custom, in view of the fact that cotton has been deemed to be king and the money crop of the South, that the merchant has restricted and required the tenant to plant cotton as a condition precedent to furnishing him his supply.

Chairman WALSH. Now, of course, you have observed the question as it comes in here as to the alleged tendency of growth on the part of the tenant into a wage earner—to belong to the wage-earning class—to a greater extent than in the past. So, directing your attention to that, have you noticed any tendency on the part of landlords as to exercising supervision over tenants in any other way than you have mentioned?

Gov. FERGUSON. Well, in later years, especially since the diversification movement started in the South, I am glad to say that there has been a very liberal disposition on the part of the landlords as a class to recognize that there is an obligation resting upon them to help work out the problem and that they must really go a little further to help the tenant than in former times.

Chairman WALSH. But what I was getting at is the direct supervision, if any, upon the part of the landlord as to the crops; that is, whether it takes the direction of advocating diversity or restriction. What we are trying to get at is, is there an actual supervision, as it were, over the tenant farmers as a class with reference to their operations so that they become merely ordinary wage earners governed by other authority or by other minds than their own?

Gov. FERGUSON. I would not say it had reached that condition; no; any more than the tendency on the part of the landlord within the last two years to diversify, whereas, previous to that time, it was to plant lots of cotton. I am not advised that landlords have pursued any other policy toward the direction of the tenant.

Chairman WALSH. I will ask you a few questions as to the housing conditions of tenant farmers. Are tenant houses, as a rule, large enough for the average families of the farmers?

Gov. FERGUSON. No, sir; they are not.

Chairman WALSH. Are they kept in proper repair, as a rule?

Gov. FERGUSON. Well, as a rule, I would say yes.

Chairman WALSH. Who does the repair upon the houses?

Gov. FERGUSON. Usually it is done by the tenant on some compensation agreed upon by the landlord.

Chairman WALSH. What has been the tendency, so far as you have observed, socially of such large numbers of people living in houses not large enough for their families? You know, Governor, the tendency in the cities has been to create conditions that do not make for the best morals, hygiene, etc.

Gov. FERGUSON. Yes. Inadequate insanitary tenant houses in the country are bound to have the same effect as the crowded tenement districts have in the cities.

Chairman WALSH. Are they usually erected with regard to proper sanitary arrangements for drainage, water supply, etc.?

Gov. FERGUSON. Oh, yes; in this country we always have plenty of drainage.

Chairman WALSH. Have you observed the effect of living conditions on tenant farmers and on the health of communities?

Gov. FERGUSON. Yes; it is ordinarily good.

Chairman WALSH. Has there been much overcrowding with respect to sleeping arrangements in the houses of the tenant farmers?

Gov. FERGUSON. No; not to any great dangerous extent, I think.

Chairman WALSH. Do the landlords improve tenant houses readily and willingly?



Gov. FERGUSON. No, sir; they do not.

Chairman WALSH. Why not?

Gov. FERGUSON. Because it is an item of expense that decreases their revenue.

Chairman WALSH. Do the landlords appear to feel any social responsibility for the sanitary condition of their houses and the moral conditions that may grow out of incomplete sleeping arrangements—crowded sleeping arrangements?

Gov. FERGUSON. I would say, in answer to that question, that they have not given the matter consideration, not that they are against it or not that they are for it, but that the proposition had to some extent been neglected.

Chairman WALSH. What has been your observation in regard to the respect or responsibility that the tenant seems to have for the landlord's property in the way of the conservation and care of it?

Gov. FERGUSON. As a general proposition the tenant—the better class of farmers, which are in the majority, look out so far as possible for the preservation of the property. There have been, though, some violent abuses on the part of the tenants in that respect.

Chairman WALSH. Have there been any what you might call outbreaks in which property has been lost growing out of the contention between landlords and tenants in which property has been destroyed, mutilated, or anything of that sort?

Gov. FERGUSON. No, sir; only in very isolated cases; not enough to mention.

Chairman WALSH. They would have to be individual cases?

Gov. FERGUSON. How is that?

Chairman WALSH. They would have to be individual cases?

Gov. FERGUSON. Yes; individual cases.

Chairman WALSH. Do landlords among the river bottoms have closer supervision and control over crops that the tenants grow than in what you might term the prairie region?

Gov. FERGUSON. Yes, sir. In the river-bottom district, where the negro population predominates, the landlord, although having the share system, always directs the planting and gathering of the crop.

Chairman WALSH. Governor, there is a long-distance call for you over the telephone, and if you desire we will wait until you can answer it.

Gov. FERGUSON. I would be glad if you would; it is a very special call.

Chairman WALSH. We will take a recess for a few minutes—until you return. We will be at ease until the Governor returns.

At the conclusion of the recess the examination of Gov. Ferguson continued as follows:

Chairman WALSH. I was going to ask you, Governor, whether you observed that this increase in tenant farming, which you have mentioned, any tendency on the part of landlords to exercise a stricter supervision in the prairie country—that is, which would be somewhat similar to that in the lowlands?

Gov. FERGUSON. No, sir; they have not exercised the same supervision as in the river districts.

Chairman WALSH. This morning you spoke of the tendency of reasonably large owners of land to move to the towns and take no physical part in carrying on farming operations, but to farm through renters. As a rule do these men, when they go into the city, engage in other lines of business or do they retire and live on their income?

Gov. FERGUSON. A good many of them engage in other business; about 9 out of 10 of them retire because they can not make good in town and become retired farmers in cities.

Chairman WALSH. I want to direct your attention a little to what might be called the social environment. Describe the condition of the rural schools in the localities in Texas you have mentioned—first the school itself.

Gov. FERGUSON. Well, the condition could be very much improved on in the country schools; that is one of the problems of government now to improve and bring to the reach of the farming class in the country, which means a large majority of the tenant class, the facilities for at least elementary education. At the present time the buildings are inadequate, and as a general class they are insanitary; they have too much ventilation in winter and in summer, and in addition to that we have not the number of teachers in proportion to the number of students that the more fortunate people in the cities have. And the result is that rural education is in a very deplorable condition in Texas. In stating this I do not mean to excite any animosity or prejudice, but, comparatively speaking—comparing them to the people in the cities—they are in a

very deplorable state. It is one of the problems that must be met and solved before we can ever establish this policy of "back to the farm."

Chairman WALSH. Have you observed any relation between the rural schools in Texas and what might be called social and economic organizations of the people generally?

Gov. FERGUSON. No; not any relations back there. The country schools have been neglected; no one has paid much attention to them.

Chairman WALSH. Do they have political meetings in the schoolhouses in the State of Texas?

Gov. FERGUSON. Yes; they have all kinds of political meetings in the schoolhouses.

Chairman WALSH. They could, by a little direction or development, be made social centers for the people of the communities?

Gov. FERGUSON. Yes.

Chairman WALSH. Has any work been done along that line?

Gov. FERGUSON. One of the greatest works along that line is the movement for good roads in this country, making all of the tenants accessible and making it easy for people to get together and discuss social and economic conditions.

(Charles W. Holman at this point testified as follows:)

Mr. HOLMAN. Mr. Chairman, the rural-school social-settlement movement was pioneered in the West; the urban social-settlement movement was pioneered in the eastern cities. There is an organizer from the State university looking after that civic social center work.

Chairman WALSH. Is the organizer paid by the State out of the university funds?

Mr. HOLMAN. Yes, sir; it is a part of their work.

Chairman WALSH. Are there any organizations of tenant farmers that might be compared to the labor organizations to improve their conditions as a class?

Gov. FERGUSON. Yes, sir; notably the farmers' union of Texas; it is called the Farmers' Cooperative Union, having for its purposes the education of the farmers and a joining together and cooperating in the marketing of crops and other matters that might bring about a better condition socially and morally.

Chairman WALSH. Is there any connection between that organization and the State in any way?

Gov. FERGUSON. No, sir.

Chairman WALSH. Or between it and the State university?

Gov. FERGUSON. No, sir.

Chairman WALSH. Has there been any effort to connect the work of this organization with the rural schools?

Gov. FERGUSON. No, sir.

Chairman WALSH. Do they hold their meetings in the schools?

Gov. FERGUSON. Yes, sir; they hold their meetings largely in the country schools.

Chairman WALSH. Please be kind enough to give me any constructive suggestions that might bring about better conditions under the present system, or, if any is necessary, what change should be made in the present system of your people with respect to the land. This is very broad, I recognize, of course.

Gov. FERGUSON. That gives me a very broad latitude.

Chairman WALSH. Yes; go as far as you like.

Gov. FERGUSON. Well, many things might be said. Many kinds of theories and ideas have been advanced as to what could be done to advance and improve the condition of the farmers of the country, and all of those are important, but I would say that the greatest thing—one of the greatest things—we need in this country is the aid of capital to cooperate with that labor now in abundance in Texas to develop the unimproved lands of the State.

As disclosed by the figures this morning, we have not over one-fourth of our tillable area under the plow. We have an increasing tenant population. We have a great influx of immigration from other countries, and naturally food supply of all kinds would have to be increased if the demand of the growing population is met. Everybody can not be business men in town, or superintendents of railroads, or lawyers, or doctors, or preachers. Consequently that which involves the greatest good to the greatest number is involved in the question of providing homes for the homeless. We have here an area now unoccupied that would support a population—well, I am well within reason when I say eight times what we have now. That is borne out by comparison. A territory of Germany no larger than Texas, no greater in proportion in tillable area than Texas, supports a population now of about 60,000,000 people, and they have



no great winter hardship in this country like there is in that country, where it must cost twice as much to sustain life as it does in this country with our area, easily susceptible of supporting 40,000,000 of people. And if the wealth of the world is put in close connection with, and at the disposal of, and on a legitimate, sound business basis, and under sound business policy, we can develop our natural resources here until we can support that many people. The greatest problem we see now, I would say, is the development of our unoccupied area of Texas.

Chairman WALSH. Do you want to outline or comment on the paper of Mr. Holman which was read here, with reference to the Federal Government taking some action upon the land question—the question of tenant farming and agriculture?

Gov. FERGUSON. Yes. I was especially interested in that, and I want to say that I think the National Government now is really doing the greatest service that has ever been done by any Government, especially in any administration within the history of the country, in calling attention to these very questions. If such a commission as this tribunal had visited Texas 20 years ago and developed the same information which will be at your disposal, I think Texas would be 20 years advanced.

You will be able to learn and to tell officially to the world just what this State can do, and what it will do, and what people are invited to do here, as soon as the people learn about the resources of Texas through a disinterested tribunal like this one. Great good is going to be the result to the people of Texas. I think this is one of the most patriotic and one of the most far-reaching movements on the part of the Government that it has undertaken in a long time—to come down and find out about these conditions.

Chairman WALSH. Governor, is there anything that you would like to volunteer to this commission that you think would be of use to it? I think you are perfectly familiar with what the Government is trying to do in this respect; and if anything has not been asked that you would care to volunteer, we would be pleased to have you state it.

Gov. FERGUSON. I do not recall anything, Mr. Walsh.

Chairman WALSH. Commissioner Lennon would like to ask you some questions.

Commissioner LENNON. Governor, what effect, if any, has tenancy seemed to have on the fertility of the soil?

Gov. FERGUSON. Well, it has not had the best effect. Naturally the man who has been put out to work the soil for just what he might produce for the landlord has largely looked at it from his personal standpoint, and he has not paid attention to preserving the fertility of the soil as he ought to have done, or with a view to the mutual benefit of himself and the owner.

Commissioner LENNON. You think that he has not given that attention that the farmer who lives on his own land would give.

Gov. FERGUSON. Naturally, self-interest being there and thrusting itself into a question like that, the soil has suffered from that; and I am glad to say that attention is now being given to that question. The question is being discussed, and I look for the fertility of the soil generally to be increased by a proper management and treatment.

Commissioner LENNON. What is the school term during the year in the country schools?

Gov. FERGUSON. I do not know just exactly what the figures are, but I think it is about four months—four to five months' school in the country.

Commissioner LENNON. Could you tell us what wages are paid to the country school-teachers?

Gov. FERGUSON. Oh, I would say around \$50.

Commissioner LENNON. Fifty dollars a month?

Gov. FERGUSON. Yes; \$50 a month.

Commissioner LENNON. How about your taxes for the support of schools and other purposes? Are they on land and improvements, or is it a personal tax or poll tax that tenants have to pay as well as others?

Gov. FERGUSON. The schools are supported by what is known as the common-school fund, an endowment provided by the early founders of the Republic, and by an ad valorem tax. There has been a great deal of discussion of that question and is now, and it is getting to be quite the custom to issue bonds in districts for the purpose of building schoolhouses. And there are methods on foot to remove the constitutional inhibition of 50 cents a hundred

dollars and let it be \$1 for the purpose of supporting schools where localities desire to put that much tax on themselves.

Commissioner LENNON. The children of the tenant farmers who assist their parents in the farm work; is it at a time of year when it keeps them out of school, or is it at a time when the schools are open or when they are not open?

Gov. FERGUSON. Well, it is at a time—the school terms are arranged—it has been a custom to have them arranged with a view of gathering the cotton crop and to have the schools close before the hoeing season comes on, in which the children are used largely.

Commissioner LENNON. So, then, they are really not kept out of schools because of their work in the fields?

Gov. FERGUSON. No, sir; that could be arranged all right. It would not interfere with the school interests. The injury we are suffering from right now is not enough proper school facilities.

Commissioner LENNON. Yes; I understood you answered that very fully. That is all.

Commissioner HARRIMAN. Governor, you spoke of the large area in Texas now unoccupied. Would you suggest any means to stimulate what you call people coming in there, or from what source would you try to get an increase of population?

Gov. FERGUSON. Well, as I said a while ago, if the financial facilities were offered to that class of people—for instance, if some system like they have in Germany, where a man could buy a farm on 20 years' time, were offered to these people, a great many people in Texas, thousands of them would be glad to avail themselves of that opportunity and move onto this unoccupied territory and begin to improve it and bring it under a system of cultivation. The financial resources of the country have not shown a spirit of liberality to make loans on the unoccupied territory, but rather confine it to the improved districts. And for that reason the settlement in many districts has been retarded, for want of financial advantages and facilities.

Commissioner HARRIMAN. Would your idea, then, be to bring people from the outside, from outside the State?

Gov. FERGUSON. It must be, because we are poor. We have to get it from somewhere else.

Commissioner HARRIMAN. That is all, Mr. Chairman.

Chairman WALSH. Just a question or two, Governor.

Have you taken any notice of the proposed State colonization schemes, some of which have been introduced largely in the legislatures of other States—the California one, for instance, Governor?

Gov. FERGUSON. No; I have not. I know of them only in a general way.

Chairman WALSH. The general plan being that the State should set aside land for tenants, advance money, and provide an amortization fund to pay for them, etc., to pay for the land.

Gov. FERGUSON. That question is in its embryonic stage in Texas now. We have no fixed views or policies.

Chairman WALSH. With regard to the school facilities and the opportunities under your cropping system for children going to school, does the moving season, when tenants move from one place to another, naturally interfere with the school children?

Gov. FERGUSON. Yes, sir; and in that connection I want to call attention to the known fact that there are at least 90,000 children of scholastic age in Texas who never go to school at all, largely due to this moving population.

Chairman WALSH. That is all. Thank you.

Gov. FERGUSON. Thank you very much for the consideration shown me.

Chairman WALSH. Col. Kirkpatrick.

#### TESTIMONY OF COL. E. W. KIRKPATRICK.

Chairman WALSH. What is your full name, please?

Col. KIRKPATRICK. E. W. Kirkpatrick.

Chairman WALSH. Where do you reside, Colonel?

Col. KIRKPATRICK. McKinney, Tex.

Chairman WALSH. And do you hold any official position with the State at the present time?

Col. KIRKPATRICK. No.



Chairman WALSH. Have you any official connection with any industrial organization of the State?

Col. KIRKPATRICK. Well, I have a connection like the presidency of the Industrial Congress of Texas.

Chairman WALSH. That is what I had in mind, what I see on the outline. I would like you to state what the general activity of that congress is, Colonel.

Col. KIRKPATRICK. The general activity of the congress, the Industrial Congress of Texas, is for the purpose of securing better homes for the people; and then it has for the further purpose, in order to that point, to teach, especially the boys and girls, the young folks of Texas, how to improve their surroundings, how to become interested in agriculture, and how to make home life on the farm more attractive and more interesting and more remunerative. I might say that is a general statement of the purposes of the congress.

Chairman WALSH. Is it a permanent organization?

Col. KIRKPATRICK. Well, now, the permanency of that organization will depend upon the private donations. We have never received any money for the support, for the establishment, or for the maintenance of the congress from any source except private individual donations, and if they keep coming regularly, as they have for the last four years, I suppose the institution will be perpetuated.

Chairman WALSH. Then, I take it that it is four years old, Colonel, or is it older?

Col. KIRKPATRICK. It is now in its fourth year. Yes; it will be four years that we have paid premiums of \$10,000 each year to the boys and girls who produced the most and best crops upon a given area of soil, with the expenses apportioned or reckoned. We limit them on the expenses that they use upon any given area.

Chairman WALSH. I note that you are a former president of the Texas Farming Congress. What sort of an organization was that, please, Colonel?

Col. KIRKPATRICK. The Texas Farming Congress was organized by individual enterprise, founded entirely upon individual donations, for the purpose of federating all of the industrial institutions of the State. That is to say, we imagined that by getting the different State organizations all in one combination, and getting them together and holding not only separate sessions of each organization, but combined sessions, so that one could learn from the other, and one could learn from all, that it would be a good thing for Texas agriculture. And we organized it with about 10 of the different State organizations, and I think now we have about 20—maybe more than 20—22, I believe, enlisted in that organization. We meet once a year, as you all know, at College Station, Tex., where we have the benefit of the lectures and of the facilities, the laboratories of the college to use in giving instruction to each one of these respective organizations.

Chairman WALSH. Would you be good enough, Colonel, to concisely sketch for us what your business activities have been—what your business has been—since you have been active in business?

Col. KIRKPATRICK. I was a farmer and am still a farmer. I spent three years in the Confederate Army. I have come back to the farm. I have established a nursery, and followed that in connection with farming about 30 years, then I formed it into a corporation and retired from the active work. Since that retirement I have been engaged in this general welfare work, principally. I have not done much else except to wait upon the public.

Chairman WALSH. How large a nursery company is that? I believe it is called the Texas Nursery Co.?

Col. KIRKPATRICK. Yes.

Chairman WALSH. What is its capital stock?

Col. KIRKPATRICK. It has a capital stock of \$250,000.

Chairman WALSH. Is its stock diffused generally, or is it a rather close ownership?

Col. KIRKPATRICK. It is diffused as widely as convenient. We have probably 20 or 30 stockholders.

Chairman WALSH. Well, now, I am going to try to follow the outline that I believe has been submitted to you by Mr. Holman. Of course, you understand that any digression from that will be acceptable to the commission, because I would not want to limit you to that.

To begin with, a period right after the Civil War, we will say in 1870, I would like you to sketch for our record and for the commission the development of the farm tenancy idea of the State of Texas, the type of tenants that came in, their origin, and all about them, in your own way.

Col. KIRKPATRICK. Well, in 1870 we had comparatively few tenants, and we had comparatively few farmers. The stock interests were greater then, I believe, than the farming interests. Large stock companies occupied the principal portion of the land. And as you old Texans know, this was a Garden of Eden when we discovered it, when Mexico was driven back and we came here and drove out the Indians. They had feasted on the wild animals and beauties and riches of the land. Then we brought in cattle and they ate up the grass. Then we found it necessary to go to work and plow. So we cut down the timber and plowed up the grass, and the water and the plow, the rains and storms, they did rest. In other words, we have depleted our soil, we have reduced its fertility, we have upset nature to a large degree, reducing its fertility, and it is now our business to try to rehabilitate and rebuild this country back into another Garden of Eden, a better garden, if possible, than it ever was before.

Now, in 1870, we had, as I said, few renters, but the other States gave us immigration. They emigrated here and settled and some of them bought land and a great many rented. Then our children grew——

Chairman WALSH. Might I interrupt you to ask you to describe the character of those early people, where they came from, their kinship with the balance of America? Were they mountaineers or were they New Englanders, or who were they?

Col. KIRKPATRICK. There was a percentage of them came from the North and the Northeast; some few from the West, but the principal portion came from the eastern States like Louisiana, Mississippi, Alabama, North Carolina, South Carolina, Florida, and in through there. They were among the best people. They were our own relations.

Chairman WALSH. Were they people who were farmers, or planters, or of what sort were they?

Col. KIRKPATRICK. I think the greater portion of them were farmers. Yes; they came from off the farms there. I have heard them say they could make more here by renting the land than they could back there by owning the land.

Chairman WALSH. Had any portion of them been tenants or anything of that sort?

Col. KIRKPATRICK. I think some of them had been tenants. Most of them possibly had owned land in the older States, and had lived on the land and farmed and came here and did not find it convenient to buy. Now, I want it understood that a great many of them did buy, and there were a great many renters. After they stayed here a few years they bought.

Chairman WALSH. What was the price of land in those days?

Colonel KIRKPATRICK. Land then was worth about twenty to thirty dollars. I might say twenty to thirty dollars an acre in 1870. Earlier than that it was still cheaper. In 1865 land was cheaper than it was in 1870; twenty to thirty dollars an acre possibly in 1870 to 1880, along in there. About 1870 to 1880 it was \$25 to \$30 and some little \$40. The renter class then began to increase, but the landholding class increased in proportion. A great many renters made enough in a few years to buy land for themselves, and they did buy. In the meantime, the landlord would say: "Every time I get a good renter he soon becomes a landholder, and I have to get another renter." I have heard them say that. I have heard landholders make that complaint heretofore.

Chairman WALSH. Up to about what period was that?

Col. KIRKPATRICK. Up to this period. Right to-day. [Applause.]

Chairman WALSH. You may proceed.

Col. KIRKPATRICK. Sir?

Chairman WALSH. You may proceed now with the development of the tenancy.

Col. KIRKPATRICK. The tenancy—Mr. Chairman, if you would indulge me I would give you some of the fundamental statements of the tenancy question.

Chairman WALSH. Indeed, we will. I wish you would.

Col. KIRKPATRICK. Now, as you all know, the human family is divided into a great many classes. There are some portions of the human family in the landholding class and some in the land-renting class that do not put a very high estimate upon the home or home life or ownership or nonownership. I have heard a renter, a man as good as I am, or you, or probably as good as anybody, say that they would not own the land, they would not own a farm in this black-land country, and be compelled to live on it all their lives if it was given to them; that all they wanted to do was to rent for a year or two years



at the most and learn all that there was to be learned in the neighborhood from friends, and then move to another neighborhood where they could get a new chance to learn new tricks. I have heard good men say that; men who had large families and plenty of money and plenty of sense and knew what life was, as well as I know what it is, and they are so situated and constituted in their mind that they don't want to own land and be tied down to the same spot and look at the same fence post every day, and the same door, and all of that; they want to move about, and they do move about, and it would be impossible to take that class of men and make permanent settlers out of them. I think it would be equal to putting them in jail. I actually do. I have talked to them seriously. Now, that being the case, being divided into those peculiar classes, it is hard to approach this question so as to make any law that you could originate to apply to everybody. You find renters to-day; I can show you renters who are paying rent and building up bank accounts, and building up character, who buy land every year at from \$75 to \$100 an acre adjoining them, and who are glad to get it at that price.

Now, I can show you other men, just as good men as they are, and we reckon them good citizens, that would lose money right by the side of them on similar land under similar circumstances, that would lose money every year and go in debt more and more, and then have to move because they could not pay their merchant and their merchant wouldn't credit them; they could not pay the banks and the banks would not credit them; they could not borrow money from their neighbors, and all they could do was to move and get away to a fresh field and find a new picking. That happens all over this country. I do not know, but I think it would apply to some other countries. The renters ought to be educated. We ought to have more universities and more colleges and more schools [applause]; we ought to have more of these lectures and more of these societies like our industrial congress. We need more of these liberal-hearted bankers and merchants, railroad men, and rich farmers, to come around and to establish a sentiment among the people that they must learn to love their homes, that a home on earth is just as good as a home in heaven; that they ought to make it, and then finally stay there and live on it and remain with it. We need education. We need, Mr. Chairman, more now than we ever have as long as I can remember. It is growing stronger every day. People are teaching the people to love their homes, no matter if it is only 1 acre. One acre rightly cultivated will support a family, a small family. When I make that statement a great many people think I am crazy or that I am extravagant and all that, but I know it can be done; I have seen it done. And it can be done again. They want to learn to till the soil and keep the soil in good condition and put enough food into it and learn how to set the plants, and how to care for them, and how to ripen them, and how to market them, and how to pack them, and how to ship them, and where to ship them. They can get a living on an acre. They had better have an acre than to have nothing. Five acres would be a large farm for a great many men. Ten acres would be a lordly farm, a plantation for a great many men. You don't need many of these acres, but you want to attend to them properly, and put the right things in at the right time, in the right way, and treat them right, and then know how to handle the thing right; what to grow, where to grow it, and how to grow it, and when to grow it and where to grow it and how to ship it. In fact, that is the kind of education we need, and I believe it is coming. That will make this a Garden of Eden again.

I think the renter class could be largely reduced if we had that kind of education.

Now, our people study more about how to have a good time than they do about how to have a good home. They have all the home they want. Some one fills them; some one gets their meals; some one gives them a place to stop. They don't study about home. They are studying about picture shows and ball games and horse races or the visit, or something of that kind, and their minds are full of having a good time; and they don't appreciate the fact that they ought to have a good home—home first and home last and home all the time. I am glad to see our professors in the colleges and universities and our schools and our chief places; they are teaching that doctrine continually, and it ought to be taught all the time, and they ought to appreciate it, and the papers and periodicals ought to print it, and it ought to be on the front page. If they would keep all this baseball foolishness out of the papers and put in a little of this home sense, it would be a good deal better.

Chairman WALSH. What is your county, that McKinney is the county seat of?

Col. KIRKPATRICK. Cullen, the best county in Texas and the best county in the world.

Chairman WALSH. I wish you would give in full, if you will, a little sketch of the development of the agricultural conditions in your own county; that is, the observation as a tenant farmer as to the removal into the cities.

Col. KIRKPATRICK. Mr. Chairman, that is a very serious question; that is a vital question; and that has a great deal to do with the future of this country; the cause of the building up of a city population and a tearing down and breaking down of a country population, taking the best men out of the country and putting them into the city. I have noticed that tendency for a great many years, and it is a fearful thing to contemplate. There are fearful results to flow from that unless we can check it, unless we can make these people know that out in the country is the place to get pure air and have pure thoughts and have place and time to meditate and have leisure there to contemplate and to think and to exercise the mind and the brain and to grow spiritually as well as financially. We are going to the cities to build up material wealth and leaving the country, where we might build up another kind of wealth worth infinitely more than all the material wealth in the world. If we do not stop that tendency to go to the city and get back to the country, there is nothing good coming to us in the future.

Chairman WALSH. Do you think that there is an economic basis of any sort for that, or is it just a sort of human desire, as you say, not normal or healthful?

Col. KIRKPATRICK. It has an economic base as well as a human desire to have a good time and to go to the shows and to enjoy themselves. It has this kind of an economic basis, that the farmer—now, I don't know whether what I am going to say is going to be a reflection on the farmer and whether I will be killed off for making this statement or not.

A VOICE IN THE AUDIENCE. Let it loose! Let it come!

Col. KIRKPATRICK. But the farmer in Texas—and I don't know but the farmers in Kansas—

Chairman WALSH (interrupting). I would like to correct that before you go any further. I was born and bred in Missouri.

Col. KIRKPATRICK. Then you would like to be shown?

Chairman WALSH. Yes.

Col. KIRKPATRICK. I can speak for Texas. I know the farmer in Texas, commencing 60 years ago. I remember of commencing 60 years ago plowing this black land, and have been plowing it almost every day since. The farmer in Texas was not a farmer, but a miner. That is an expression often heard. He did not really farm the land and cultivate it, but he mined it—took out what fertility there was in it with his system. He had a kind of amalgamating system. He planted it, but he did not have his amalgam in the right place, and he did not catch it; but if he had put his plants where they would catch it, it would have been all right. But he simply leached out the fertility, plowed it in a shallow way and let the storms sweep it away, and reduced the fertility to that point where he found it was very difficult to make a living off of it only by renting it to somebody that did not know its poverty. He thought he might get a pretty good rent and go to town; and he had not been making enough to give him the rent, in a great many cases, and he would go to town and let the other fellow wrestle with it; and the other fellow came along and pursued identically the same plan himself, and he has reduced its fertility still further, and he has mined it again. It has been mined, but it has never been farmed. I don't see one farm in a hundred that has been farmed, but it has been mined and washed out. Now, that farmer went to town for social purposes, educational purposes, general entertaining purposes, and resting purposes, and the renter came and took charge of the farm, and he was not interested, I am sorry to say, in that farm. I know some renters are interested, because I know one renter. I remember one renter that started as a renter, and he put out a \$30 orchard on the farm and built a new house and fixed the fences and broke up new land and plowed the ground deeply in the summer and hoed the weeds late in the summer, and made money for the landlord and made money for himself and made credit at the bank and made friends among the people. And I know a great many renters that did the same thing, and they are landholders to-day; but those other renters that went there purposely



to get what there was in it and to get a place to go to and stop a year or two and paid no attention to the improvements and no attention to the soil, and did not study the soil at all or did not care anything about it, most of them are renters to-day and their children are renters.

Now, there comes your division of the population into two classes. It is like starting right, getting the heart right, and getting the hand right and getting the two to act together and pursue the right course. There is where comes the great division in the classes. If they start with economy and start with integrity and then use industry, and they will take care of things and will study their business and stay with it and they will become landholders and home owners. But if they do not, they will just switch about and swap about and live here or there until they get in debt so they can not stay any longer and then they move and live yonder a while, and so on. Now, that is dressing it up in a very unpopular way, and I don't suppose this will help me in the primary any whatever.

Chairman WALSH. Please describe, if you will—I would like you to describe the development of what might be called very large farms in your county; how it is worked out and worked up.

Col. KIRKPATRICK. The very large farms in our county are not as large as they were some years ago. The good old citizens have died and their farms either have been cut up among their children until they are reduced in acreage, or many of those children have sold out and moved farther West and renters have come in. And they have sold to merchants, and they have sold to bankers, and the tendency is to put the farms in the hands of a few, and many own 10 or 20. In other cases where these old citizens have died, their estates have been wound up and the land secured by these large owners until it looks like, if the tendency is not stopped, that a few of them will own in some cases whole counties.

Chairman WALSH. Do you notice anything peculiar in the economic advantages that they have, as controllers of credit, or as money lenders? Would you say that their position makes it possible to do that if, as you say, a few are coming to own whole counties, and why is it?

Col. KIRKPATRICK. Well, that is a fundamental question and an important question, to know how that happens. I believe I will refer you back to the original proposition that our people are not in love with home life sufficiently; they lack a sense of respect for family life and for character and for good citizenship.

Chairman WALSH. Do the owners, Colonel, have any trouble in getting tenants for these farms as they buy them up?

Col. KIRKPATRICK. It is most all trouble; they have more trouble than they have tenants, most of them. The tenants are suffering and the landholders are suffering; it has become almost unendurable in many cases. I know landholders up there that do not get enough out of their land to more than pay the taxes, to say nothing of the interest on the capital. Few of the parties get enough rent to pay the interest on the capital; some do not get over 2 per cent and some get 3 or 4 per cent on the capital invested; and it is growing worse, and unless we can teach the people to handle the soil more economically and more advantageously the business will grow worse all the time. If we could teach them to properly cultivate the soil and properly diversify their crops and raise them in rotation and teach them how to increase fertility, then the renters would be benefited and the landholders would be benefited and we would have more renters becoming landlords. The renters would be able to purchase the land.

Chairman WALSH. Does the question of credits affect the situation in any way, either as to the landholders or tenants; and I will ask you at this point to describe the system of loaning money to the landowners and tenants.

Col. KIRKPATRICK. Well, the men who have the money and have the merchandise that the renter must have, have become much more liberal and more considerate the last few years than they were once. I can remember when a moneylender would foreclose on a mortgage as quick as that [witness snaps fingers], but that does not happen now. A man that would do that now would be in bad standing with his neighbors, and the bankers and moneylenders do not grind down on the tenants like they did, and on their debtors like they did; they are very considerate, indeed. I know a few creditors that practice usury and who lend money to men at 5 per cent a month and then take out a lot more from the face of the note when they handle the money, and such as that, but that is not as extensive as it was once. I remember when I went to a banker

for money and paid 5 per cent a month, and he would not make me any discount, and I paid what amounted to 120 per cent for the money; I have done that in McKinney, and I know others that have done that. They do not do that so much now, but some practice usury; they charge some 10 per cent and take out 10 per cent in discounting the note, making it amount to 20 per cent per annum, but that is being done less than ever before. But I want to emphasize this fact, that those tenants and those borrowers who have, from the beginning, upheld their integrity and studied the interests of their friends who have loaned them money, are treated fairly; it is that class who are ready to run away as soon as the crop is raised, and who go out in the night—that is the class that has to pay the exorbitant rates.

Chairman WALSH. Are loans made on chattel mortgages in your country?

Col. KIRKPATRICK. Yes.

Chairman WALSH. Are they made by bankers or merchants, or how?

Col. KIRKPATRICK. Not many are made by bankers. There are many merchants in the State who make a business of taking mortgages on personal property and loaning small amounts, and then the merchants open accounts on time with farmers and file a mortgage in the courts, or in the recorder's office, on his crop and very often on his wagon, and his team, if he owns one, and sell him goods on that kind of credit; and then in the fall he will watch that man and watch him pretty close and try to get his money. Now, that ought not to be the case; we ought to build up the character and integrity of our people, and that is what our university people have to do, for a man's sense of honor is worth more than credit, and credit is worth more than land, and morality is worth more than all of the rest together; and we ought to do that.

Chairman WALSH. Do your banks have agents that loan to tenants on chattel mortgages?

Col. KIRKPATRICK. If they do, I am not acquainted with that phase of the business.

Chairman WALSH. What is the average price of land in your county?

Col. KIRKPATRICK. Well, I would say from \$75 to \$150 an acre—I would say about \$100 an acre.

Chairman WALSH. How much land can a one-team tenant farmer farm? How much can he farm in your country?

Col. KIRKPATRICK. Of course that varies from nothing to 50 acres; some of them would not cultivate 1 acre right.

Chairman WALSH. Could we strike an average, Colonel, based on the experience in your county? That is, take the average land and the average tenant farmer? So that we might make it as definite as we could.

Col. KIRKPATRICK. And with an average crop?

Chairman WALSH. Yes.

Col. KIRKPATRICK. I would say about 30 acres.

Chairman WALSH. Now, with all those same averages, what would his income be, the tenant farmer's income?

Col. KIRKPATRICK. Well, according to his skill as a farmer, and his knowledge of farming, it would probably average about \$300 or \$500 a year; I think the average would be close to \$300, taking one year after another.

Chairman WALSH. Would that involve the labor of any member of the family other than the man himself?

Col. KIRKPATRICK. If he had a family, it would.

Chairman WALSH. They all work at it, do they?

Col. KIRKPATRICK. Yes; they about all work at it.

Chairman WALSH. Describe the customary rental contracts in your part of the State.

Col. KIRKPATRICK. The customary rental contract in my part of the State is a verbal contract. I have a man that I have never had a written contract with and he has rented 28 years from me, always on verbal contract. It is understood that he must pay one-third of the corn and one-fourth of the cotton. In 1911 there was neither one, neither corn nor cotton, and some years he makes a moderately good crop and could make twice as much if he understood farming; he could make twice or three times as much if he understood farming, but he is old and we can not teach him, and we are not trying to; we are trying to teach the boys.

Chairman WALSH. Have you observed anything typical with reference to the legal status of that class of tenant farmers that do not have written contracts, when disagreements arise between the landlord and tenant? Is he in a



position where he can enforce whatever rights he has at law? I mean economically?

Col. KIRKPATRICK. I have not had much experience of late years. The last time I was in the court trying to get money from a man that had walked off with it, the other fellow sued me first and got a judgment, and I had to pay the costs; and I never have gone back to court any more.

Chairman WALSH. Is there much litigation of that kind in your county?

Col. KIRKPATRICK. I do not think there is much now. It has generally all gone one way; the lawyers generally get all the profit there is, and let the other fellows go without any.

Chairman WALSH. So, as I take it, then, there is no tendency on the part either of the landlord or the tenant to go to court?

Col. KIRKPATRICK. No, no; not with anyone that has any wisdom whatever.

Chairman WALSH. Is there any difference, would you say, in the status of the landlord as compared with the tenant in litigation growing out of these tenant contracts?

Col. KIRKPATRICK. I would rather be the tenant.

Chairman WALSH. Are such matters usually submitted to juries?

Col. KIRKPATRICK. Yes, sir.

Chairman WALSH. Are the juries in part—do they consist of tenant farmers?

Col. KIRKPATRICK. Frequently they do, but more often they do not. They often pick up men around town. These fellows who have retired and gone to town.

Chairman WALSH. I wish you would give us any observation you might have with regard to housing conditions in your county.

Col. KIRKPATRICK. The housing conditions are not as good as they ought to be and could be. I do not blame anybody particularly for it; it comes back to the general proposition that we must learn to handle and manipulate our soil more profitably. The landlords seem to do as much as seems their part and the tenants seem to do as much as seems to be their part. I do not charge this condition up to either side; I think we are all to blame; I put myself in there; we are all to blame for it. They are not housed as they ought to be. They are not treated as they ought to be. The renters do not treat the landlords as they ought to, and we, on the other hand, do not behave as we ought to, one toward the other; there is not enough of that fraternal regard each for the other; there is not enough of humanity among us; we have not enough of character. We could easily increase the housing facilities if we could only get together and work together and sympathize more with each other than we do. The tenant is not close enough to the landlord, and the landlord is not close enough to the tenant. And it is not only so with regard to the houses, but as to the schoolhouses and the church houses.

Chairman WALSH. I was going to come to that, Colonel. Please be kind enough to give the commission, for our record, the educational and social environment in your county.

Col. KIRKPATRICK. None of them are good enough, and that is chargeable to the same original proposition that we do not study each other's interest enough; we do not levy taxes enough, and yet it looks like a great many are taxed beyond their ability to pay. We do not get enough money to build good roads. We ought to have had roads in our county 50 years ago, and if we could have had them 50 years ago we would perhaps be the richest county in the State to-day. The roads are not good to travel on; they wear the wagons and teams and harness out and they lose their time coming and going, and the children can not go to school, and the people can not go to church and can not go for the doctor, and the doctor can not come when he is wanted, and they can not go to market when the market suits. Our roads are deficient, the schools are deficient, and the homes are deficient. We have not enough furniture, we have not enough paintings on the walls, nor enough instruments, and we have not enough books.

Chairman WALSH. What effect have you observed, Colonel, if any, that the class of men who have moved from the farms to the cities, such as you have described, and the tenants had upon purely public questions, such as the question of taxation? Is there any division among them? Do the men that go to the cities vote for taxes for facilities such as you described, or do they oppose them? Do the tenant farmers vote freely for taxation that might benefit them in the way you describe, or do they vote against them, or is there any influence brought to bear of one side against the other?

Col. KIRKPATRICK. That is a very important and comprehensive question, and I would answer it in this way: A few years ago the renter voted against taxes for good roads and for better schools and combining schools and getting graded schools; they voted against all taxation like that, and I account for it because of the fact that the large landholders told them that if they voted for this or that tax—they were free to vote either way—but to remember if it carried that they would want another renter. That was a common assertion a few years ago. In other words, they said: "If you don't vote like I want you to vote, you get out," and the renter voted very generally as he wanted them to; and we could not build roads or schoolhouses and could not improve at all. But of late years that sentiment has changed, and that is a good omen for the future. The same landlord now wants them to vote for roads; he wants them to vote for bonds; he wants them to vote for levies of taxation for schoolhouses; and they are building those roads and they are building those schoolhouses and they are improving the country where a few years ago they entirely objected to it.

Chairman WALSH. Do you think that comes from what might be called a changed attitude of mind and heart, or from the idea that it is economically better for them to have the country improved through this system?

Col. KIRKPATRICK. I think it comes from both, because they think it is inevitable and they had better yield now gracefully than later; and I think a great many are prompted by their hearts and minds and love of humanity, and all that.

Chairman WALSH. It might be interesting to know what position the country preacher occupies with relation to the tenant farmer. Do they preach economics like they do in some other places? Do they preach the necessity of education and of a man standing upon his own footing, as he ought in a democratic community, or do they take any part in this upward social and economic tendency?

Col. KIRKPATRICK. They are growing rapidly into that sentiment; they are changing. I remember when a preacher dare not touch on it for fear that he would not hold his position; but I believe that if they had spoken out years ago they could have held their positions, but they were afraid to and did not. But of late years I have noticed a tendency to preach from the pulpit industrial education and domestic improvement and betterment and the building of homes and better conditions about the homes. Preachers are laboring more along that line than I ever knew them to do before, and it is a good sign for the future. The teachers are doing the same thing in teaching the children to better their conditions of study and effort.

Chairman WALSH. Have you observed anything with regard to the extent of what might be called the social-center system? You noticed, I suppose, the suggestion made a while ago by Mr. Holman that there was a man from the university making a study of civic and social centers.

Col. KIRKPATRICK. Yes; I have noticed a tendency in later years in that direction, but I do not see numerous examples; not as many as I had hoped to see.

Chairman WALSH. Do you think that that is a way for people to get together and learn democratically to do for themselves?

Col. KIRKPATRICK. Yes, sir; I think so; decidedly, Mr. Chairman; they ought to meet on every possible occasion. I believe our church meetings ought to be converted largely into industrial meetings. I believe there ought to be more preached from the pulpit, more talk from the teacher's standpoint, and I think our editors, our public press, ought to elaborate and magnify and emphasize that idea of preaching to the people and teaching them how to improve themselves while here and to make themselves a heaven on earth and not wait for the other heaven above.

Chairman WALSH. Would you, Colonel, suggest any constructive action that might be taken, either by the State or the Nation, toward working up to these ideals you have mentioned, outside, of course, of the hearts and minds of the people and their representatives?

Col. KIRKPATRICK. I think that the general system applicable to all industry, not only to farming, but to manufacturing, and to a great many industries—I think a general system could be adopted wherein we would all cooperate, where the banker would unite with the merchant and the merchant would unite with the producer and the producer would unite with the railroad man and the manufacturer, and organize one general system so that every man would



be insured his regular and reasonable reward for his labor and so there would be no overplus, or, if there was an overplus, it would be cared for, and there would be a proper distribution. And if there was a failure in any part of the great economic system then the other divisions would come to the rescue of that part that failed. For instance, in 1911, when we failed here entirely to produce any crop, the merchants and the bankers and the rich men of the country generally came to the rescue of the poor and tided them over and kept them encouraged to go on and plan another crop. I think if some great calamity like this great war should come and destroy the value of our cotton, I think the moneyed people should come to their rescue, and I think the bankers and merchants were shortsighted about that. We never had an experience like that before, and if we had been well organized in sympathy and actually, we could have come to the aid of the people who had that cotton thrown on the market at a ruinous price, and they could have held the cotton until they could get reasonable prices without having to sacrifice it. And we could bring about a system of that kind, if our hearts and minds were right, wherein such extreme cases as that could be cared for, and it ought to be done.

Chairman WALSH. Generally speaking, Colonel, that would draw a line between an economic or industrial system organized simply for profit and one that was organized for the social welfare of mankind, as you might say.

Col. KIRKPATRICK. Yes, it would; and that ought to be done.

Chairman WALSH. And an application of the latter is desirable?

Col. KIRKPATRICK. Yes; it certainly is.

Chairman WALSH. It does not work out to the advantage of mankind that the entire point should be addressed toward profit for the individual?

Col. KIRKPATRICK. Yes, sir; I think you are right. We ought to take that thing home to our hearts and minds, and we ought to consider the welfare of everybody, the high and the low, the rich and the poor, the white and the black and the red, and every other class of mankind.

Chairman WALSH. Is there anything else, Colonel, that you think of that you think might aid us in what we are doing here, having had the outline about which you have been interrogated? If so, we would be glad to hear any statement or suggestions you have to make.

Col. KIRKPATRICK. Well, Mr. Chairman, I do not want to occupy the time of the commission unnecessarily; I have been here a long time and possibly may have occupied more time than I should.

Chairman WALSH. I think not.

Col. KIRKPATRICK. I want to emphasize this thought, that our hopes in the future depend more on the right training of the minds of the young folks, of the young people; it depends more upon the young than upon the older classes of mankind. I notice that, and I am one of the old ones, they think they know all there is to be known, and do not want to learn anything else, but the young people are wiser than that. They know there are things that have never been known or discovered yet, and we are trying to impress their minds and get them started right so they will go more nearly right than we have done.

If you will excuse me, I will say still more—that we have never been acquainted with ourselves, and this war has brought it home to us that we have never known who we were; we do not know who we are to-day. We are savages and barbarians, not civilized people, because they over there are our kind, they are our relatives and our class, and they are acting as savages and barbarians and uncivilized across the water. They are just as good people as we are, and we might come to the point where we would do the same as they are doing, and we want to avoid any such cataclysm as that; we want to avoid any possibility of getting into any such tangle as our friends have gotten into across the water. They have done it because they worshipped things that belonged to this life and not the other things; they have sought avenues of trade and to increase their profit and wealth and riches and such things as relate to this life, and they have not sought in proper volume or in proper degree those things that pertain to our higher welfare than that of gold and silver and material wealth. They have forgotten the principles of the broad law that was given down to us from the Wise One above; they have read the wrong thing out of the Bible; they have not read the Bible right; and we want to teach our children to read the Bible right; we want to teach our children to read history right, the history of the human race, and if we do they will not get into any such tangle as that; and we can do that through such meetings, in getting together and stating the knowledge they have to each other, and in

putting their experiences in such form that other people can read it and understand it, and in that way arrive at a knowledge of who they are; we do not know who we are yet.

Chairman WALSH. Mrs. Harriman says she would like to ask you a question.

Commissioner HARRIMAN. I want to ask you what is the difference, if any, in the cash prices and credit prices charged by merchants?

Col. KIRKPATRICK. Well, now, the credit price—30 days and cash are very close together. As for these long credits of six months, I am not posted because I have never indulged in them. But this is what I have been told, that it runs from 10 per cent up; I don't know how far up.

Commissioner HARRIMAN. And for 30 days?

Col. KIRKPATRICK. For 30 days about the same as cash. Sometimes they will discount 2 per cent for cash. I have never been able to discount my bills.

Chairman WALSH. Thank you, Col. Kirkpatrick; that is all.

May I make a little announcement? This is coming to the close of quite an excursion, as you ladies and gentleman know, throughout the country, and we are strangers here as in every place. We have been compelled to establish certain rules. I do not know whether they would be so necessary here as elsewhere, but a great deal of our work has been in the realm of very acute controversy, and what would please one portion of the public that is present might greatly displease the other, so we have had to make it a rule to ask the people who attend our meetings to please not to give audible expression to their feelings, no matter how much they may like it—not to laugh out loud or applaud—or however much they may dislike it to give no sign of disapproval. We have been in the most acute controversies, as, for instance, at Paterson, N. J., and in California and other places, and our audiences have always been with us in that position. So I am going to ask you to apply that rule here. Kindly do not give audible expression of your feelings no matter what they may be, and that will assist us very greatly in our work.

A VOICE IN THE AUDIENCE. I wish you would ask Col. Kirkpatrick there what is the customary rent given here and what the landlord has to furnish, so as to get it in the record.

Chairman WALSH. Will you please do that, Col. Kirkpatrick? You have heard the question: What is the customary rental and what does the landlord have to furnish and what does the tenant furnish, as a general thing, in this portion of the country?

Col. KIRKPATRICK. Well, as a general rule, it is hard to say. I know there are special cases, and they are extreme. Now, some landlords will charge a third of the grain and a fourth of the cotton; and it is then reputed that they will also charge what they call a bonus, so much an acre over and above the third and the fourth, especially where the land lies convenient to market or lies convenient to school or to a fine road, or where it is extra rich, or where there is some special value in the land, he will charge a bonus in addition to the land.

And then, again, on the other hand, I have known cases where landlords would furnish a pasture for the tenant. I know some cases where they furnished one-third of the land they rented to the renter for pasture, and they will furnish a barn and house, a cistern, a well, and good fences, and give them the right to a piece of ground for an orchard and for a garden and permit them to grow animals, horses, cattle, hogs, and domestic fowls, and take no part of the animals nor of the fowls, nor of those things, nor of the garden, either; let them have them free. I know cases where landlords do that. However, I know of cases where landlords have rented to renters just as a renter wanted it, whether for cash or part of the crop, and when it was for cash and the crop did not amount to much the landlords have changed the cash and taken part of the crop; and cases where the crop was very large and the rent amounted to \$10 or \$15 or \$20, I have known the landlords to change it and take the \$5 and not charge him the third and the fourth, but make those concessions. I have known cases of that kind. These are special cases, and they do not apply to the average case. Now, the average landlord, in my estimation, does just about as much to help the tenant along as the average tenant does to help the landlord along. That is the way I size it up. It is come and cut and cut and come and go, and it is a hard race between the two. Is that satisfactory?

Chairman WALSH. What does that indicate to your mind? I don't want to delay you, but there is one other question as to whether or not any feeling is growing up more acute now than it has been in the past as to the relations between the two. I did not quite get the meaning. You said it was cut and come on the one side and cut and come on the other side, and to go, etc.



Col. KIRKPATRICK. I regret to say that among a part of the renting population the tendency is not the best with reference to the relationship between the landholder and the tenant, on the one hand, and, on the other hand, of the tenant toward the landholder. It is not the best, like it ought to be; but I think it is improving. I think it is improving every day, and that we are getting over the rough places more and more all the time. There has been a tendency setting in in a very dangerous direction. Where a man is disposed to create trouble he can very easily organize trouble between the two classes, while there ought to be the closest friendship in the world; because I think a man who rents of the other is a good friend to the other, and the man who rents to the other ought to be a good friend to that tenant. I believe that labor ought to be the best friend to the employer, and I believe that the employer ought to be the best friend to the laborer. I think they ought to be the best friends in the world.

Chairman WALSH. Thank you, Col. Kirkpatrick. You will be finally excused. Mr. Le Sueur.

#### TESTIMONY OF MR. ARTHUR LE SUEUR.

Chairman WALSH. What is your name?

Mr. LE SUEUR. Arthur Le Sueur.

Chairman WALSH. Where do you reside?

Mr. LE SUEUR. At present at Fort Scott, Kans.; recently from North Dakota.

Chairman WALSH. How long have you resided at Fort Scott, Kans.?

Mr. LE SUEUR. Since last July.

Chairman WALSH. What is your business, please, or profession?

Mr. LE SUEUR. I hardly know how to answer that, Mr. Chairman.

Chairman WALSH. As I asked the former witness, will you kindly sketch your business or public activity since you have been in business life, so that we may get the angle from which you speak and your point of observation?

Mr. LE SUEUR. To make it comprehensive and brief, at 15 years of age I was a farm hand; at 18 in the lumber woods, on the river, working at sawmills, on railroads, and other work of that kind. At 24 I owned a farm.

Chairman WALSH. Whereabouts?

Mr. LE SUEUR. In North Dakota.

Chairman WALSH. How large?

Mr. LE SUEUR. One hundred and sixty acres. I managed to pay the interest on the purchase price during a period of 4 years and reduced the principal some \$2,000. I did that through having what might be aptly termed a side-line. I ran a threshing rig for the neighbors. At the end of the 4-year period I quit farming by realizing on the size of the equity I had created in the land and commenced to study law, was admitted to practice, and practiced for 10 years.

Chairman WALSH. Where did you practice?

Mr. LE SUEUR. In North Dakota.

Chairman WALSH. What place in North Dakota?

Mr. LE SUEUR. Minot, N. Dak.

Chairman WALSH. What sort of a country is that? What do they raise there?

Mr. LE SUEUR. Wheat is the staple; flax comes next and stock next.

Chairman WALSH. Proceed, please.

Mr. LE SUEUR. After practicing law a few years I was able to engage in the banking business, and am still engaged in it to-day.

Chairman WALSH. At what point?

Mr. LE SUEUR. Same town.

Chairman WALSH. Minot?

Mr. LE SUEUR. Yes, sir.

Chairman WALSH. What is your business at the present time at Fort Scott, Kans.?

Mr. LE SUEUR. At the present time I occupy the position of vice president and dean of the law department of a college established there during the past year.

Chairman WALSH. What is the name of the college?

Mr. LE SUEUR. The Peoples College.

Chairman WALSH. And what, briefly stated, is your proposition of education, if it differs from the other colleges and universities of the country.

Mr. LE SUEUR. The prime difference consists in this: We conceive the fault of education as our system promulgates it to-day in the United States to lie in the viewpoint; that is to say, the psychology of education in the practical

line of the schools is to educate the ambitious to acquire; the prime thing in life that is inculcated in the children is to follow the example of those who have been able to amass fortunes; that is to say, those are the ones who are held up as heroes and as worthy examples to follow.

This college that is established at Fort Scott has a different viewpoint. It aims to inculcate the idea that the one most dishonorable thing in life is parasitism—the will to live on the labor of another. That is the fundamental difference. We aim to establish there a vocational training along with cultural training in order to offset the efforts which we believe to be now well advanced in the United States to establish approximately the German training-school system in the United States. We aim to offset that influence. As we understand the problem it is this: With the corporation schools that are in operation in the United States the practice is, in substance, that Tom works in the factory this week while Bill is in school; and Bill goes out of the school next week and goes into the factory, while Tom comes out of the factory and goes into the school. The result of that, if it is permitted to be developed without having proper cultural training, will be that all organized labor in the United States will be placed upon exactly the same plane as unskilled labor is to-day, because organized skilled labor can not survive in places where it is in competition with unorganized skilled labor, and labor unemployed soon loses organization. We aim to prevent that by making a practical demonstration of cultural and vocational training and bringing the student in touch with the workers' viewpoint, showing the desirability of inculcating the viewpoint of the honorableness of service and the dishonorableness of living upon the labor of others without contributing to the welfare of society.

Chairman WALSH. Now, have you made any study of the land question?

Mr. LE SUEUR. Yes, sir.

Chairman WALSH. From what sources have you attempted to derive your information; that is, separating them, if you can, into the practical and the educational or scholarly? Did you derive any of it from the condition of agriculture in the Northern States and in the places where you have lived; and if so, how much of it and what you have derived from your studies?

Mr. LE SUEUR. Out of my actual experience on the land, first, as a farm hand, and second, as a farmer, I did learn one thing that has proved to be of tremendous value, and that is that I did not have the mental caliber necessary to the successful operation of a farm under the present system, and I knew enough to leave it. I did learn that. Now, the prime reason—I think I also know what that is, that so many fail on the farms. There are many reasons, psychological, mental, intellectual, and educational; but the prime reason of these frequent failures is economic.

Chairman WALSH. Could we ask you to present in as concise form as possible, Mr. Le Sueur, what you believe to be the fundamental and underlying question with reference to the land problem, if you might put it that way, that would prevent people deriving a proper living from it?

Mr. LE SUEUR. The fundamental problem that is presented there is not wholly the question of the ownership of land. While normally ownership and control abide together, and that is the rule, yet when a crop is severed from the land the ownership of it, under our system, leaves the producer so rapidly that any essential control over it is wanting. It is a part of the land until it is severed, and when it is severed he loses control immediately along with the ownership.

Chairman WALSH. That is, with the product, you mean—the crops?

Mr. LE SUEUR. The product. There has been more or less misconception about the desirability of the ownership of land. Now, I think it would clear the atmosphere somewhat to put it this way, that no farmer wants to own land simply for the privilege of paying taxes on it, but he wants it for the privilege of controlling the products of the soil. No one would desire more than nice home grounds around his home were it not for the fact that they need more ground than that for the primary purposes of producing usable wealth. That is the purpose.

Now, under our system of marketing and finance farmers are as a class, as a rule, and from what I have heard here it is true both North and South, are unable to control the product of the land. They do not control it. They do not control the price. Nor do they control the price of the things they must have in order to apply their labor to the natural resources—which is the only chemistry that will produce wealth for others.



Now, then, to put the matter very briefly, I conceive the best way to determine where this leak actually exists is to find out to-day who has the product of the land. There are practically untold millions of wealth that have been produced on the farms of the United States; and it seems to me the first thing we should do is to find out who has that and where it has gone. If we can determine that fact it will be much easier to determine how it went there, and we can then plan how to stop the leak. I therefore beg leave to present to this honorable commission a few figures in a very short and brief way, but they appeal to me as going to the point. I quote now from two sources of authority. One is from the 1912 report of the Comptroller of the Currency of the United States and the other is from the Commercial and Financial Chronicle of New York, a financial paper of wide standing; and the members of the commission can readily verify this, if they deem it important, by perhaps more authentic figures, although these are official and semiofficial.

A comparison of the average annual increase of the resources of the reporting banks with the total cotton crop of the United States for 1904, taking the figures from the Financial Chronicle for the cotton crop and taking the figures for the increased resources of the banks from the report of the Comptroller of the Currency shows this: The cotton crop for 1914 is there estimated at 14,609,968 bales of cotton. The annual average increase of the resources of the reporting banks in the United States covering the four-year period between 1908 and 1912, inclusive, is \$1,350,808,329.50.

Taking the same figures from the report of the Comptroller of the Currency and comparing them with the reports of the Department of Agriculture at Washington, we find that the total wheat crop of the United States for the year 1914, which, by the way, is the largest wheat crop ever reported by that department, to be—and to show you how these figures run, the 1912 report of the Comptroller of the Currency says that the increased resources of the banks which reported for the four years from 1908 to 1912, inclusive, is \$5,403,233,318, and dividing this by 4 gives us a total which I have just given you. Now, then, the Department of Agriculture reported the wheat crop of 1914 to be 911,000,000 bushels for the United States. Now, putting the value of that at a \$1 a bushel, which is much in advance of the average price for a series of years, we get \$911,000,000 for the total value of the wheat crop of the United States. That leaves a difference between the increase in the resources of the reporting banks of the United States and the total value of the wheat crop for 1914 of \$439,808,329.50 in favor of the banks as against the total amount of the wheat crop at a dollar a bushel.

Making that same comparison now with cotton we find that figuring cotton at much more than the average price during 1914, putting it at \$60 per bale, it amounts in round figures to \$876,598,980, which, compared with the average amount of the annual increase in the same period of the banks, remembering at the same time that there are approximately 3,000 banks that did not make returns or report to the department of the comptroller and who also increased their resources during that same period, we find, then, comparing the whole matter by and large, wheat and cotton with the average annual increase of bank resources during the four years, that in round figures the annual increase of the resources of the banks of the United States, although something like 3,000 banks did not report, is equal to the total of the 1914 cotton crop and one-half of the total of the 1914 wheat crop. This, as I say, is figuring the high price of \$60 a bale for cotton and \$1 a bushel for wheat.

Now, then, if the commission will just bear in mind the infinitely small number of people engaged in banking and the comfortable salaries that are drawn by bankers and bank officials and bank employees compared with the niggardly, slavish incomes to millions of farmers from whom the bulk of these resources have been drawn in final analysis, you will be able to come to some understanding of the class spirit that is to-day permeating the entire agricultural world of the United States. There is where it is. Its foundations are there. It comes from the inherent inequality that exists between the two classes. There is an infinitely small number of bankers as compared with the tremendously large number of farmers, and yet those are official figures. Those figures show where the produce goes from the farmers and ought to be the key to us to determine whither we should look to stop the leak. For, believe me, when that leak is stopped there will be the most stupendous immigration of bankers back to the farm that this world has ever witnessed.

The secret of the bankers' satisfaction with the bankers' situation, with things as they are, lies in the following—and I know it for a fact, for I am in

the banking business and am there to stay as long as the farmers see fit to uphold the private banking system. I am going to be at that end of it inasmuch as I have learned the force of the kick at the other end of the mortgage and I will not abide there. I do that simply for the reason that the highest duty of any human being in the existing state of human affairs is to his own family, to provide food and clothing and education and entertainment to his own. My oldest boy will graduate in electrical engineering from a good school this year at the age of 23; but I will say that though he is thoroughly equipped, if he did not have a banker dad to assist him that boy would be a tramp in 30 days after he leaves school.

Chairman WALSHE. Why do you say that?

Mr. LE SUEUR. He has searched during the last six months for employment. He is skilled. He is at the very top of his class. Yet there is no place for that boy in the community to fit into and earn his living to-day. Therefore, there is nothing but migratory labor of the most unstable character to which he can look toward making a living if he was not able to fall back on ulterior assistance.

I wish, however, that no one, and most of all the commissioners, will believe for a minute that there is anything of class hatred in this position which I outline here. Nothing could be further from the truth. There is no psychological factor that is of more detriment to a clear solution of the problems the people of the United States to-day are facing than class hatred. Class consciousness is an entirely different matter. It develops and denotes knowledge. Class hatred denotes ignorance. There is no need for hatred if we are to peaceably solve these problems as they ought to be solved. It is not class hatred, but class understanding that will solve them.

Another thing that is not generally understood and which is of vital importance to farmers, though it does not make much difference to the bankers whether it be understood or not as long as society allows it to exist; but it is vital to the farmers, and that is the character of the transactions that are carried on in banking. Most people, when they go to a bank and leave their promissory note, go away with the impression that they have borrowed actual money, and that actual bona fide money has been loaned by the bank. In one sense this is correct. A service has been rendered by the bank, but trivial compared with the charge made for the service. I mean this: I go to a bank, as I did many times, for I have had experience on both sides of the bank doors, and I leave my promissory note for a thousand dollars, secured or unsecured, it makes no difference as to collateral, and I do not carry away currency, neither gold nor silver nor legal tender, nor any other kind of money. I carry away a check book and a deposit book showing I have to my credit in the bank \$1,000. I use instead of cash the checks. It is much more convenient than cash, and it is almost universally used to-day. I would like to emphasize that point. The total bank clearings in the United States to-day, according to the best authorities that I have been able to discover, clear annually through the regular clearing houses \$163,000,000,000, a sum so vast that it staggers even imagination. The total amount of cash in circulation during that same period, if you limit it to legal tender, has never equaled \$1,000,000,000. Now, then, the business of the country has not been done with cash, but has been done with the commercialization of credit of the communities in which the banks exist. What did the bank do when I left my note? It made an entry upon the books showing I had \$1,000 to my credit. It increased its liabilities \$1,000 on the books showing that, and it is entitled to draw interest on the note at 10 or 12 per cent, or whatever the rate was. There never was a dollar of money involved in that transaction. The checks which I issued to pay the bills that I wanted to pay as the reason for making that loan and which I paid by check went through the local clearing house, which is not usually one of the clearing houses I have mentioned at all, but is cleared between the banks themselves, offsetting similar transactions on different sides of the books, no money being involved; or else it went through the clearing house at the Twin Cities from North Dakota, and there was cleared without the payment of money. Now, that is what I mean by commercialized credit of the community by the banks. They do that. The banks do not extend their own credit to anybody else, but they have commercialized other people's credit. This applies to the notes of the merchants, the notes of the landlords, the notes of tenants. Those notes are used by the banks as the basis on which the bank draws interest. The banks are the only institutions in the world that draw interest on their own debts instead of paying interest on them; and the way they do that is through this credit system. And



we are squarely and solidly upon a credit system in the United States. We can not do business in any other way. We have no other facilities, no other means for doing business; and we must do it on credit. It is all based on the check and deposit system.

I might add right there that some people have run away with the idea that this new Federal reserve act is going to be of wonderful assistance to the financial system of the country, and I want to call attention to just one thing in connection with that, and that is that the new Federal reserve act strengthens the banks, but it does not lift so much as one ounce of the burden which rests upon the interest-paying members of the community, which number practically the entire people of the United States. It relieves them not one solitary whit. It does protect the banks in their position and strengthens them; and that is all.

If we remember the explanation I have just given of the function which the banks perform of commercializing credit, it will be found to be the key to the entire situation. It is a bookkeeping proposition.

To talk constructively for a moment I might say that a public bank is a step in the right direction toward solving both the problems of the landlord and the problems of the tenant. Looking at these figures it seems to me that they throw some light on the question of why it is they have had homes to live in and the landlords live in none too good at that. They do not build very good homes for the tenant. It is the same question that is involved in the question of land ownership. The reason why tenantry is growing as it is in North Dakota—for this tenant problem is not a problem local to Texas; it is one that is universal throughout the Northwestern States, to my own personal knowledge—is because of the fact that before the intending home and land owner is able to connect up with the natural resources from which to produce wealth he must first pay tribute to this financial system whose increased resources have, in one year, equaled one of the great staples of the United States and half of the other great staple for the trifling services for which the bankers receive good salaries in addition to all these figures, for these figures are net. So that land ownership does not rest entirely upon the question of title, but it depends also on the question of how the farmer is allowed to connect up with the resources and the produce which his labor brings forth through its application to the soil. The banking system is the most fundamental of all the things that enter into that relationship. Of course we have watered stock in railways and all these other things that many of us holler about in this country, but when we get right back to general principles the institution which walks off with the lion's share is the institution I am talking about—the banking system of the United States. I have told you why I am in the banking business and why I propose to stay there as long as the system is allowed to exist. I would like to see a change and am ready to vote for a change.

Now, then, there are two things which stand in the way of the farmers getting on in the economic field to cooperatively remedy this situation for themselves; and nothing is more certain to my mind than this one fact that when these things are remedied it will be the farmers and the wage workers themselves who apply the remedy. Nobody else will, not even the best intentioned bankers or legislators will ever in the world remedy that situation until the farmers and the workers themselves organize and cooperatively remedy it. They must do it or it will never be done. The economic urge, or interest, is too strong to permit that; it is too strong even on the part of philanthropists who are in the favorable position themselves to compel them to come down after their sleep to remedy these things for the under dog. They can not do it in spite of their best intentions. They can not do it. It must be remedied by the under dog himself developing a backbone.

The things which stand in the way then, primarily, of farmers cooperatively acting to remedy this situation are an unjust credit system, as I have explained, and restrictive laws which prevent the farmers from cooperatively acting together successfully. There are two prime elements which make for the failure of farmers' cooperative organizations; one is that we have seen that there is a want of that broad individual education that will enable the farmers to realize that the only course to pursue is to allow everybody all the rights which they claim for themselves. Another element that results in farmers' cooperative organizations many times blowing up is that there is somebody who is a disturbing factor in them, either a man or a woman, who does not agree with the majority and would rather ruin than to allow things to go forward unless they are allowed to rule.

The prime and fundamental cause of the failure of farm cooperation, whether in the marketing or purchasing, or the bettering of conditions in farm operations, lies not there, however, but in the restrictive laws which prevent successful farm cooperation. I mean by that this: All business, farming and all, must be done on credit; there is no other way to do it to-day because of habit, and we are all creatures of habit; there is no way to do it unless it is done on credit. The farmers of every State in the Union have the strongest credit of any class; it is more stable than that of any corporation or trust, no matter what, and they are to-day, by legal restriction, prohibited from using that credit.

If your honors will permit me, I will illustrate what I mean by two concrete examples from the northern country, but which apply with equal force in Texas, because the problems are the same here as at my home. In North Dakota the hail insurance companies have charged 65 cents per acre premium. The farmers need hail insurance there, and things ran along that way for many years. Several mutual hail insurance companies were organized by the farmers. There is only 1 of the 60 or 70 companies that started that has survived, and they went on a strictly capitalistic basis for making profit for those on the inside of the cooperative concern and charged farmers the same rates as the old-line companies did, and they have survived and are a large concern to-day; but they brought no relief to the farmers because their rates are the same as the old-line companies.

But six or seven years ago in North Dakota they passed a State hail insurance law which compelled farmers to pay cash in advance for that insurance, but cut the rate from 65 cents to 30 cents per acre, which was a substantial cut, but the cash payment of the premium made it almost impossible for the farmer to get his insurance because of the fact that it came at a time when the farmers, as a class, have no money. They are one-crop farmers there, as you are down here, as I understand, and they needed the insurance just when they could not pay for it. You will say that the farmer, if he had good credit, ought to be able to go to his bank and get money for that, but this is how it was done. The farmer would go to the bank, and I have seen it myself, and say, "I want to borrow \$75; I want some hail insurance, and I have to have money to get the State hail insurance," and that is less than one-half of the other, and the banker would say, "I will tell you, Sam, how this is, we have our customers to take care of, and we have to keep money here for them, because they are likely to call for it at any time, and we have to pay it when they come for it," and that is true. "If it was some small loan to be paid back in a short time, we might let you have it; but we can not let you have it until fall." And the farmer goes out of the bank and when he is unhitching his team the banker comes to the window and crooks his finger at him and he goes back in. I never saw a farmer yet that didn't go back when the banker did that. And the banker says, "I have been thinking that over, Sam, and I think I have found a way to give you that hail insurance." The farmer says, "I must have it, if I can get it." The banker says, "We will fix you up; we can not give you the money, but we are agents for the St. Paul Fire & Marine Insurance Co., and we will insure you with them and take your note for for the premium, and we will make the company, which is a big, strong company, carry you until fall, and it won't take any money now, and it will protect you in that way." Sam realizes by this time that he must do that or go without the premium, and we will make the company, which is a big, strong company, and takes 12 per cent interest on the note and never invests a dollar. And all he does is to keep the books, and all that consists of is making one entry when he takes out the insurance and another entry in the fall, and that is the way the farmer is treated. So the 30-cent hail insurance in North Dakota has not been an unqualified success, by any means.

I should add that the State hail insurance provides for a maximum damage of \$8 an acre, while the old-line company policies provide for \$10 an acre. According to the commissioner of insurance of North Dakota, some of the old-line companies paid as little as 17 cents back on the insurance; the State insurance companies have paid back either 43 or 47 cents; nearly 50 per cent of the State insurance was paid back in damages. The State insurance, however, has not paid quite in full, while the old-line companies pay in full, or they are not allowed to operate.

Across the line, in Saskatchewan, where those despicable foreigners live and make their homes, many of them being Yankees, they have the same conditions as in North Dakota. They have the same climatic conditions, the same



staple crops, and the same dangers from hail, and they need the same protection. There, three years ago, in January, the legislature of the Provinces passed a general law permitting the counties of their Province to hold a referendum to determine by popular vote whether they would adopt municipal hail insurance or not. The act was to become operative after 25 counties had adopted that. That act has been in operation for two years now, and the general provisions of it are that when 25 counties have adopted the act by referendum vote, those counties which have adopted it have municipal hail insurance. The general law restricted that tax to 4 cents per acre to cover the damages which they suffered from hail, and limited the payment of damages to \$4 per acre. The first year, during the operation of this law, they paid the losses in full, at 4 cents per acre premium and \$4 per acre. The second year's operation they paid the losses in full, without raising the tax, up to \$5 an acre, at 4 cents per acre.

The secret of that lies in this fact that the farmers were by that general law permitted to utilize their collective credit and to turn that to the service of the people instead of the exploiting class that rules over them.

The 4 cents per acre was collected by the same people who collected the other taxes, and it did not cost any more to collect that additional 4 cents per acre. The machinery was there and used for that purpose, and the only added functionary was the insurance commissioner, and his salary did not make much difference distributed among the 25 counties. The result there was that out of every dollar paid in 92 cents was paid back in insurance the first year, and the second year 97½ cents out of each dollar was paid back to the farmers in payment of their losses. Their program for the next year raises the maximum damage without raising the tax and paying in full.

That is an example of the application of common sense and using the power of the State as the servant of the people instead of a bunch of politicians and lawyers who usually compose the legislature.

That distinction is one that can be carried into all of the departments of farm cooperative life. The farmers have the most tremendous credit of any class of people on earth if permitted to use it. I think you will find in every State a law restricting farmers to taxing themselves only for schools and roads, and it is well that they are allowed to tax themselves for schools, but they are limited in that to a certain proportion of the property.

What farmers need is to have those restrictive laws put out of the way so that they may use their collective credit with the power of the law behind them. The American people and all civilized people are law-abiding and believe in law and order and government as a system and anything that has behind it the sanction of the law; they will stand almost interminable abuses before they overthrow it if it comes in the name of the law and has any fairness or justice behind it. Now, if the farmers as a class were able to eliminate those legal restrictions which prevent them from using their taxing power, then they would get on an even footing with the concerns with which they must compete. It is like a man being held up and robbed by a highwayman. Of course, in the other case it is absolutely legal, but nevertheless they take the goods, and the result to the person is the same whether he is robbed in that way or by the highwayman—he is still broke. The farmers should be entitled to have the benefit and advantage of cooperative credit, with the sanction of the State behind it, instead of being restricted from doing things done every day by other classes or divisions of classes in the United States. It is not a question of politics, although politics enter into it; it is purely an economic question, and it is an economic question to those of us who have been on the firing line of the close struggle that exists between the farmers and those exploiting them that absolutely tears at the very heartstrings of humanity, when we see in the communities scattered all through the agricultural territory of the United States the very backbone of the people, those from whom we must recruit the very highest and best type of human citizenship in the United States, we find them living in conditions that would be a disgrace to a hog in many cases, living without opportunity for mental development, living without any chance for enjoyment. What wonder that, as Col. Kirkpatrick says, when they do break loose they get a little crazy. They do that because they do not have enough of entertainment and enjoyment. The only enjoyment they can have is in slavish toil.

I want to call your attention to one thing that I do not think will be presented by any other witness, that under our agricultural system in the United States we do one of the most heathenish things a nation could perpetrate.

Many of us oppose capital punishment for murderers and think that it is brutal, and I agree with them; yet at the same time do you know what we do to the mothers of the United States who live upon farms? We give them the same punishment that we do to the murderer; we condemn them to a life of servitude at hard labor without giving them any recompense, a life servitude at hard labor without a guaranty of enough to eat, which the convicted murderer has. Those are conditions that need a remedy.

We may talk about a revolutionary class struggle in the United States, and the terrible struggle that is going on between employer and employee. The farmers of the United States will stand a hundred times more persecution and injustice than wage earners before they start, but when they do it will take more than all of the lawyers and bankers in the United States to stand between them and their goal, and I hope I will not live to see it, when the farmers try to right the wrongs that exist to-day, and which they will do if they are not corrected by those in authority to-day. If they are denied that right the farmers of the United States when they move will not move with a covered wagon; they will not have their families with them when they move, but they will move so that institutions will go down like tenpins before them. They are suffering under the most damnable conditions from an economic standpoint to-day, and they are exploited by the bankers and trusts and wholesale houses. Perhaps I had better give you an experience that has come to my observation.

In North Dakota it is true that the wholesale houses own a heavy percentage of the retail houses, which are nothing but collecting agents for the wholesale houses, and the wholesale houses are thus able to control to a large degree the prices of their staples. This is the way that is handled.

The farmers do not patronize the banks when they need a loan and pay cash for their stuff. But they put a note up in the hands of the retail merchant, and they make many demands, the same as has been described by other witnesses here in the Texas proposition. Then the merchant goes to the bank and he deposits that note in the bank, and they indorse it to the bank, they extend the credit to the merchant. That carries part of the credit to the extending bank, as they call it, of the little bank. Then the wholesalers carry the rest of the credit until fall. Then that performance is duplicated from year to year and from time to time. The retail merchants do not get wealthy in North Dakota. The wholesalers use them merely as collecting agencies. They hold out a high hope to the little merchant who does business on credit; he is paying the price, but he never arrives. The wholesalers see to that. Then, again, by eliminating competition among the retail merchants, which, in a sense, is not a bad thing, they are able to control the price, and they compel the farming communities to meet their own terms on the staples which they must purchase.

Then there is absolute control of the selling price for the farm products controlled by this institution. That is the terminal elevator companies at Duluth and the Twin Cities and the buying companies scattered throughout North Dakota largely. There are a great many of those agencies of the terminal elevator companies. I would urge the commission, if it has the time, that some competent investigator be sent into the northwest territory to investigate the marketing conditions of grain. There is a gigantic field for investigation there. The bottom of it has never been really touched. The equity movement of North Dakota has failed to relieve this condition. That is, the American Society of Equity, the North Dakota Union, it has largely failed, because it has been unable to finance its propositions. I believe that if the farmers in the cotton countries this year had the money to hold the cotton that they would have been able to realize at least 50 per cent more out of the cotton crop if they had been able to have had the 2-cent money; that is, 2-cent annual interest charged for money to handle their crop. They would have realized at least 50 per cent more out of it. Then the thing that we need, we need the thing that great powerful Government of the United States can do, is to assist in clearing away these artificial restrictions that stand between the ultimate consumer, the farm products that he consumes and the farmer himself. What is needed is to see that the farmer who produces this stuff, who produces it by the actual application of human labor, secures the price which the consumer actually pays for that product less the legitimate charge going in between for actual services rendered. There are too many places where there are additions without actual service.

Just one particular proposition I would like to leave with this commission, and it is this: Our system of to-day is based upon this fact that everyone of us is striving to get much and to give little. That is the universal rule. We



are all striving to get hold of all and striving to give very little. Now, what does that bring about? Prices are fixed upon commodities, by demand, we are told, by economists. I think in a degree they are right, but what is "demand"? Is it want? Is it the dire want of human beings for clothes that creates the demand for clothes? Because if that were the case all the clothing houses of the State of Texas, from what I have seen on the train coming up here, would be empty in 24 hours, if that were the case. It takes something else besides human want to create demand in that sense. It does take something else. Prices of commodities are fixed by the demand, but demand as a price fixer is the value of the scarce use. The very moment that you have any great amount of the use of a commodity the scarce use price is shot all to pieces. There is no price left. There is no price on air. We all use it. We all want it. There is a great demand for air, but there is no price attached to it. And the same thing will happen with commodities, if it is not the value of the scarce use then the price will no longer exist. Therefore, what does that mean in its final conclusion? That so long as this system exists on that basis, running all these social functions like banks for the private profit that can be made out of it, just so long as that exists poverty can never be eliminated, because it is based upon the business of buying and selling, and the fixing of prices is based upon the value of the scarce use, and scarce use means poverty, and poverty will always be with us while commodities are handled in that way. And these social functions like banks and all those things that are run for private profit instead of for social service. More than that, we want to get relief from that situation. It is a fact that the same causes produce like effect, not sometimes, but all of the time, and so long as we leave these social forces in private hands to do the work among us, the same result of tenancy and foreclosure and mortgages and oppression and all those things, together with ignorance, which is the source of most of our evils, will be present in the land.

I think that is the substance of the statement that I wish to make to the commission, Mr. Chairman, unless you have some questions you wish to ask.

Chairman WALSH. That is all, thank you, Mr. Le Seuer, very much for your attendance.

The hearing will now stand adjourned until to-morrow morning at 10 o'clock. The hearing will meet in this room promptly at 10 o'clock.

(At 4.30 of this Tuesday, March 16, 1915, an adjournment was taken until to-morrow, Wednesday, March 17, 1915, at 10 o'clock a. m., at the same place.)

DALLAS, TEX.,

Wednesday, March 17, 1915—10 a. m.

Present: Chairman Walsh; Commissioners Harriman and Lennon.

Chairman WALSH. The house will please be in order.

Mr. Getzendaner.

#### TESTIMONY OF MR. R. W. GETZENDANER.

Chairman WALSH. Please state your name.

Mr. GETZENDANER. Getzendaner.

Chairman WALSH. Your full name?

Mr. GETZENDANER. R. W.

Chairman WALSH. What is your business?

Mr. GETZENDANER. Banker.

Chairman WALSH. What is the name of your bank?

Mr. GETZENDANER. Citizens National Bank.

Chairman WALSH. Where is it located?

Mr. GETZENDANER. Waxahachie.

Chairman WALSH. What county is Waxahachie in?

Mr. GETZENDANER. Ellis.

Chairman WALSH. How long have you been in the banking business there?

Mr. GETZENDANER. Well, I have been in it myself about 11 years.

Chairman WALSH. Will you please sketch briefly what your business career has been since you have been in business?

Mr. GETZENDANER. Well, after leaving college—

Chairman WALSH. Are you a graduate of a college?

Mr. GETZENDANER. Yes; and attended the University of Virginia. After leaving college I went into the bank.

Chairman WALSH. The bank where?

Mr. GETZENDANER. At Waxahachie.

Chairman WALSH. Are you a native Texan?

Mr. GETZENDANER. Yes, sir; raised in Ellis County.

Chairman WALSH. Raised in Ellis County?

Mr. GETZENDANER. Yes.

Chairman WALSH. Now, you may proceed.

Mr. GETZENDANER. I worked in my father's office after I left college.

Chairman WALSH. Was your father a banker?

Mr. GETZENDANER. Yes. Then I went into the bank after that.

Chairman WALSH. You did what?

Mr. GETZENDANER. I went into the banking business 11 years ago.

Chairman WALSH. So that your whole business life has really been that of a banker?

Mr. GETZENDANER. Yes; and a farmer.

Chairman WALSH. Were you raised on a farm?

Mr. GETZENDANER. No, sir.

Chairman WALSH. Well, you say on a farm. What connection did you have with the farm?

Mr. GETZENDANER. Looking after the farm and attending to things.

Chairman WALSH. For the bank?

Mr. GETZENDANER. No; for myself.

Chairman WALSH. For yourself?

Mr. GETZENDANER. Yes; and my father.

Chairman WALSH. Were you a landowner yourself to begin with when you got out of school?

Mr. GETZENDANER. No, sir; I was not.

Chairman WALSH. Your father was a landowner?

Mr. GETZENDANER. Yes.

Chairman WALSH. And where did he own his land?

Mr. GETZENDANER. Well, his principal holdings were about 2,000 acres in south Texas, and some in Ellis County.

Chairman WALSH. To what extent do you have landholdings in Ellis County?

Mr. GETZENDANER. Have I?

Chairman WALSH. Yes.

Mr. GETZENDANER. Now? At this time?

Chairman WALSH. Yes.

Mr. GETZENDANER. In Ellis County I have about 3,500 acres.

Chairman WALSH. And your father?

Mr. GETZENDANER. Well, he had, I guess, in the neighborhood of 6,000.

Chairman WALSH. Is your father still living?

Mr. GETZENDANER. No, sir.

Chairman WALSH. And did he have 6,000 acres at the time of his death?

Mr. GETZENDANER. No; he did not. At my mother's death he divided the estate, and of course that cut his acreage down to some extent.

Chairman WALSH. Did your land come through inheritance, that you have, or did you have a part of it acquired before the death of your father?

Mr. GETZENDANER. Came through inheritance.

Chairman WALSH. Now, I wish you would proceed and as briefly as possible sketch the manifestations of the land question in your county as they came under your observation. That is, when you began life or began to have a touch with the land situation, state what the situation was as to tenantry, the sort of leases the tenants had with the owners, and any change that you may have observed, down to the present time. I believe you were here yesterday when the other witnesses were examined?

Mr. GETZENDANER. Yes, sir; I was. Well, as far back as I can remember we rented on the third and fourth. At that time the lands in Ellis County were regarded as high; they were worth \$40 to \$50.

Chairman WALSH. And that goes back as far as you can remember the business details of the matter.

Mr. GETZENDANER. I never heard anything but third and fourth, and money rent for corn land I have heard of that.

Chairman WALSH. That was away back when, in point of time, say?

Mr. GETZENDANER. I could not say, probably 20 or 25 years, maybe 25 or 30 years.

Chairman WALSH. And how old a man are you?



Mr. GETZENDANER. 39.

Chairman WALSH. Now, you may go ahead and answer my question.

Mr. GETZENDANER. At that time I recollect it being a third and fourth of the crop.

Chairman WALSH. And that has been correctly described by the other witnesses?

Mr. GETZENDANER. Yes; so I understand. If I understand the other witnesses correctly, though they seemed to think there was a desire at this time not to allow the man to have any stock or cows or anything of that sort, or pasture.

Chairman WALSH. I wish you would correct any statement you deem needs correction, or give any further explanation.

Mr. GETZENDANER. I find in our section that nearly all farmers have cows and small pastures, while some do not. Some of the farmers are supplied with their fuel free. I have formed my answers with reference to your questions that you sent me.

Chairman WALSH. Well, I think that would be a very good thing for us and for the record, for you to just read them into the record. You were given specific points that we desired you to cover.

Mr. GETZENDANER. Yes, sir.

Chairman WALSH. Have you the points in there with the answers?

Mr. GETZENDANER. I have questions and answers.

Chairman WALSH. If you would be kind enough to read that into the record, the entire matter. Read loud enough so Mrs. Harriman can hear from where she is sitting.

Mr. GETZENDANER. Now, the first question—do you want to ask those questions?

Chairman WALSH. No; you may just proceed with the question and your answer.

Mr. GETZENDANER. The beginnings of the cotton industry; its development.

Until after the close of the Civil War there was very little cotton raised in this section. It was thought to be too far north. About 300 bales was a maximum for Ellis County. Just after the war cotton was the only product which commanded cash. Negro slaves who had been run into Texas furnished sufficient labor to greatly increase cotton production, which by 1868 amounted to over 3,000 bales. At that time the expense of marketing cotton in Galveston was \$20 per bale. Extension of railways was a great help to the cotton industry. In 1890 Ellis County produced 52,000 bales, valued at \$2,250,000, and for years has led in cotton production. In 1912 the crop was 188,000 bales, the value of the cotton and of the by-products being \$13,000,000.

Chairman WALSH. You shipped to Galveston?

Mr. GETZENDANER. Yes; we went part of the way by ox team to the railroad.

Chairman WALSH. It would be interesting to us and valuable if you would describe the mode of transportation at that time, and all about it.

Mr. GETZENDANER. Well, they used to carry that in ox teams, and mules, too, down to the railroad which was gradually building north from Houston.

Chairman WALSH. How far was the haul in the earliest years?

Mr. GETZENDANER. That was before my day.

Chairman WALSH. What does the history show? I see you have a little historical sketch there.

Mr. GETZENDANER. I do not recall, because the railroad gradually built this way as development justified.

Chairman WALSH. And finally came to Waxahachie?

Mr. GETZENDANER. No; it came up through the eastern portion of Ellis County, and a branch line was built to Waxahachie. The extension of the railways did much to help the cotton industry. Now, as to Ellis County, I want to say right here that Ellis County produces more cotton than any other county in the world; always has led the cotton production.

Chairman WALSH. And when in the course of history do you say it was believed to be too far north to raise cotton?

Mr. GETZENDANER. That was along about war time.

Chairman WALSH. You say, "about war time." Was it during the reconstruction period?

Mr. GETZENDANER. Yes; during that period. They had no labor here but the negroes, and there was nothing to do but to raise cotton with those negroes.

Chairman WALSH. What year do you say it was that Ellis County produced the largest amount of cotton of any county in the world?

Mr. GETZENDANER. Every year, with a few exceptions. In 1912 Ellis County produced 188,000 bales, with a value of cotton and cotton seed of \$13,000,000.

I might say in connection with the cotton industry that cotton was formerly picked into baskets and carried to the little houses in the field and there stored, and then a day set for ginning. The gin was run, and the cotton was carried from these houses to the gin. Now it is picked in sacks and put into wagons and goes right directly to the gin. In those days the gin was run by horsepower, and they ginned only certain days in the week.

"Movement to town of home-owning farmers, retired farmers, and those seeking better school facilities and social conditions."

Chairman WALSH. I will ask you was your father ever a farmer?

Mr. GETZENDANER. He lived on the farm until about 1868. He had a bank in Waxahachie at that time.

Chairman WALSH. Oh, he had a bank at that time, had he? Was he an individual banker at that time?

Mr. GETZENDANER. It was a partnership—Ferris & Getzendaner.

Chairman WALSH. Just he and another man?

Mr. GETZENDANER. Yes.

Chairman WALSH. Started in the bank?

Mr. GETZENDANER. Mr. Royal Ferris lives in Dallas, and his father and my father were partners.

Chairman WALSH. Which was his first business—farmer or banker?

Mr. GETZENDANER. A farmer. He was a lawyer, but he did not practice very much law. He went into the banking business with Judge Ferris, and Mr. Ferris looked after the law and he after the bank.

Chairman WALSH. Now, when he went into that business was he a farmer?

Mr. GETZENDANER. Yes.

Chairman WALSH. And lived on the farm?

Mr. GETZENDANER. Yes, sir; lived 10 miles from Waxahachie and went home every Wednesday and Saturday night.

Chairman WALSH. So, he was really a farmer, and he came to town and went into another business aside from farming and succeeded in it, as it were?

Mr. GETZENDANER. Yes, sir.

Chairman WALSH. And what he acquired as to land was the product of his accumulation; that is, he put a part of it into land as he went along?

Mr. GETZENDANER. Yes, sir. When he came to Waxahachie he was \$40 in debt and he had \$5.

Chairman WALSH. Proceed.

Mr. GETZENDANER. As I read these questions if you care to ask me any further questions I would be glad to answer them.

"Movement to town of home-owning farmers, retired farmers, and those seeking better school facilities and social conditions."

Chairman WALSH. That is, the cause of the movement?

Mr. GETZENDANER. Yes.

Chairman WALSH. Now, after they come to town what would you say as to the average; do they engage in any other business or undertake to live by the earnings they get from the farmers—the rents they get from their tenants?

Mr. GETZENDANER. Of course, the retired farmer when he comes to town is usually too old to engage in any business.

Chairman WALSH. As a rule, you find them too old and they come to the towns and simply live there?

Mr. GETZENDANER. Yes; and you would not term them "city builders," because the conditions that they find when they get to the cities are so much better than they have had on the farms that they are contented to go along without any improvements, at first at least. Then there is a class that come for school facilities.

Chairman WALSH. Have you observed that the farmers that come to the towns become more and more exacting as to the terms they want from their tenants?

Mr. GETZENDANER. I can not say that they are any more so than other landlords.

Chairman WALSH. You have not observed that?

Mr. GETZENDANER. No. Now, of course, there are social conditions. Say a man has several young ladies in his family; he wants to get to town so that they can have better advantages. Now, the next is: "Growth of large estates." Large estates are gradually being divided, due to the passing away of



pioneers, who accumulated these estates when land was cheap. Under present conditions there is no inducement for investment in large tracts of land.

Chairman WALSH. If you would describe briefly—is yours the largest estate that is together in Ellis County?

Mr. GETZENDANER. I don't know; I could not say.

Chairman WALSH. Can you tell us of any other typical large estates, say, three or four of them, that would give us a little study of them?

Mr. GETZENDANER. One of the largest estates in Ellis County has recently been divided; something in the neighborhood of 6,000 acres.

Chairman WALSH. It went to the heirs?

Mr. GETZENDANER. Yes, sir.

Chairman WALSH. Was it in one ownership to begin with?

Mr. GETZENDANER. It was.

Chairman WALSH. How was it accumulated? Was the man originally a farmer, a business man, or a banker?

Mr. GETZENDANER. He was a farmer.

Chairman WALSH. Did he go into any other business?

Mr. GETZENDANER. He did not.

Chairman WALSH. If you know, did he have an inheritance or did he come from the tenant class?

Mr. GETZENDANER. I think he inherited it. I might say in regard to that estate that while he was a large landowner his equity was not so great.

Chairman WALSH. He was indebted then to quite a large extent?

Mr. GETZENDANER. Yes; he was indebted to considerable extent.

Chairman WALSH. Have you observed anything of this kind: That there was anything you might call unfair or oppressive in the way large estates generally are acquired? That is, have you observed any misapplication of the law, as it were? These contracts being verbal, when conditions became hopeless for the tenant, that the manner that the landlord carried on their operations, etc., you know the criticism that has been made and I wish you would state if you have observed anything like that.

Mr. GETZENDANER. I do not think so, not as much so as you will find in any other business relation where an opportunity presents itself like that. Of course, in all business, you will find some people ready and willing to oppress the weak, but I do not think that is true any more of the landlord than it is in any other business, not so much so in our county.

Chairman WALSH. You may go ahead; I think that brings you to rental contracts. Describe the customary rental contracts in your section.

Mr. GETZENDANER. There are three customary rental contracts, one-third of the corn and grain and one-fourth of the cotton; one-third of all crops in the last few years has been in vogue; one-half of all crops where the landlord furnishes tools, teams, feed, etc.

Chairman WALSH. What percentage of these contracts are oral?

Mr. GETZENDANER. About 90 per cent.

Chairman WALSH. What effect, in your opinion, has the superior bargaining power of the landlord had in such cases?

Mr. GETZENDANER. Very little effect.

Chairman WALSH. The landlord, however, in your opinion, would have a superior bargaining power, dealing with so many people who are economically weaker?

Mr. GETZENDANER. He might have a little, but it would be very little.

Chairman WALSH. In its practical working, how does he extend it? Does he do it, on the whole, fairly or unfairly?

Mr. GETZENDANER. The landlord?

Chairman WALSH. Yes; the landlord.

Mr. GETZENDANER. I think in a fair way.

Chairman WALSH. It is a matter, however, of the wish or heart of the landlord to be fair?

Mr. GETZENDANER. Yes; I think so.

Chairman WALSH. Does it enable the landlord to dictate the crop that is to be grown?

Mr. GETZENDANER. Yes, it does; most all of them.

Chairman WALSH. The typical crop grown in your section is what?

Mr. GETZENDANER. Cotton.

Chairman WALSH. Why does the landlord want cotton grown by these people?

Mr. GETZENDANER. Because it is a money crop. You have asked that question here and I think I cover that down a little further.

Chairman WALSH. I wish you would suggest, if you will, please, Mr. Getzendaner, any defects in existing contracts between landlord and tenant that you believe could be improved by law?

Mr. GETZENDANER. You have the question here, "What tendency have you noticed with regard to rental contracts?"

Chairman WALSH. I think you have covered that.

Mr. GETZENDANER. Answering your question as to any suggestions I might have to make with regard to defects in existing contracts between landlord and tenant that I believe could be improved by law I will say that I don't know of any. Of course, there is a law that has recently been passed called the "One-third law." I don't think that will solve the question.

Chairman WALSH. Please give your comment on that?

Mr. GETZENDANER. My idea is that if a man is determined to get more for his land he is going to get it; and if he can not get it in one way, he will in another. For instance, I have heard a landlord say: "It won't do any good; if I have two houses on my place, I will charge what rent I want for one and will turn one over to the tenant." The tenant is charged rent for the other house and the owner will charge for his pasture land and in numerous ways he can get around the one-third.

Chairman WALSH. By the use of stock and employment of help, etc.?

Mr. GETZENDANER. How is that?

Chairman WALSH. I say, that might cut a figure; that is, the use of stock, furnishing stock for tenants?

Mr. GETZENDANER. Make him farm on halves?

Chairman WALSH. I was trying to have you comment, if possible, on the new law; you stated the way the landlord could still bargain with his tenant and in a way avoid the strict terms of the law and I was making a suggestion. You can correct me if you think it necessary. My suggestion was that it might also be avoided by entering into contract about the help on the farm?

Mr. GETZENDANER. I think not. I don't know how that would operate.

Chairman WALSH. For instance, the use of live stock.

Mr. GETZENDANER. He has charge of that. About the only thing I can say is that; I haven't made a study of it, you understand, because it does not affect me one way or the other; I do not believe in raising rent; I have not raised my rent, and I do not expect to raise it; I do not think it will keep any other man from getting a third of the crop if he wants it.

Chairman WALSH. Will you please describe the rental contracts which you use yourself?

Mr. GETZENDANER. I have two, and my contracts are verbal. I use the one-fourth cotton and money rent for the corn (four to five dollars per acre). One-half of all crops produced where I furnish tools, teams, and feed, etc. I will say in that connection that I have with me some data on the production of 1913-14 with reference to what the tenants made and what my portion was.

Chairman WALSH. Have you that with you?

Mr. GETZENDANER. Yes; I have, and I will be glad to submit it to you now.

Chairman WALSH. Please submit it now, if you have it, and read it into the record.

Mr. GETZENDANER. One thing I want to call your attention to, and that is the cotton being such a varying crop that it is hard to compare on account of the change in the price of the product. I have a tenant here that I have taken as an example, because he has been with me over 20 years, and he estimates his crop at 100 acres in cotton and 20 in corn. The year 1913 the proceeds from his share of the cotton were \$2,441.43. My part was \$814. He is what we term a third and fourth renter. I figured out that my per cent on that farm, that 100 acres, to say nothing of the corn land, and of land in roads and ditches and ravines, was 5.2 per cent at a reasonable valuation of \$150 an acre. That was what I made off of it. That was in 1913.

Chairman WALSH. What was that percentage?

Mr. GETZENDANER. Five and two-tenths per cent.

Chairman WALSH. Based upon what valuation?

Mr. GETZENDANER. One hundred and fifty dollars.

Chairman WALSH. One hundred and fifty dollars an acre?

Mr. GETZENDANER. Yes. I might say that in 1914 the production was much less per acre, and my per cent was 4.3.

Chairman WALSH. On the same land valuation?

Mr. GETZENDANER. The same valuation. The amount I received was \$678, and the amount he received was \$2,032. Now, in that connection I want to say



that in 1913 he raised 41 bales of cotton. In 1914 he raised 68 bales of cotton; the same land practically and just a difference in conditions.

In 1913 (I have this from memory and it may not be exactly correct) I think cotton sold at from 10 to 12½ cents per pound. In the present year, the year just past, it sold at about 6 to 8 cents per pound. I estimate his expense in making that crop right around \$400. That is allowing him \$10 a bale for picking half of it. His family picked half and he hired half picked.

Chairman WALSH. How many are in that family?

Mr. GETZENDANER. Five or six, anyway, I think. So his returns, net returns, would be right around \$2,000 or \$2,100 and mine would be \$814. That is, for 1913. Nineteen hundred and fourteen his return would be about \$1,600, and my return would be \$678. Now, I have not taken into consideration there two items: The item of taxation for myself, nor the difference between the seed and ginning, which would probably offset each other.

Chairman WALSH. I wish you would describe the last item a little more particularly; that is, the difference between the seed and the ginning—just what you mean by that.

Mr. GETZENDANER. Well, the farmer takes the cotton to the gin and has it ginned. They charge so much a hundred for ginning.

Chairman WALSH. Who owns the gin?

Mr. GETZENDANER. The gin is generally owned by corporations; sometimes by individuals.

Chairman WALSH. Do you own a gin yourself?

Mr. GETZENDANER. I did; I do not now. I own stock in one.

Chairman WALSH. Is the ginning done on your land by corporations in which you own stock?

Mr. GETZENDANER. Yes.

Chairman WALSH. How large a corporation is it? What is its capital stock?

Mr. GETZENDANER. I think it is \$15,000 or \$16,000. It may be \$12,000. I do not know exactly. I never gave it any thought.

Chairman WALSH. How is the stock held?

Mr. GETZENDANER. Held by farmers throughout the neighborhood, and a few town people are interested.

Chairman WALSH. What proportion of the stock do you own in it?

Mr. GETZENDANER. Five hundred dollars.

Chairman WALSH. And it is divided among about how many stockholders?

Mr. GETZENDANER. I could not say. At first, of course, like most of those corporations in the country, they are scattered pretty well. But, of course, as a man gets a little hard up for money—the stock does not pay a dividend—he wants a little money, and he sells his stock. I suppose in the neighborhood of 8 or 10 or maybe 15 stockholders, I would say.

Chairman WALSH. Does it declare dividends?

Mr. GETZENDANER. Yes.

Chairman WALSH. How much did it declare in 1914?

Mr. GETZENDANER. This year it declared 20 per cent.

Chairman WALSH. How much did it declare in 1913?

Mr. GETZENDANER. I would not be positive, but I think about 10 per cent.

Chairman WALSH. Is that considered a very large percentage of dividends on stock in this country—20 per cent?

Mr. GETZENDANER. It would be on some stock, but not on gin stock.

Chairman WALSH. Not on gin stock?

Mr. GETZENDANER. No.

Chairman WALSH. Is there something in gin stock that makes it undesirable and doubtful as to dividend-paying qualities?

Mr. GETZENDANER. Gins usually pay good dividends. But the gin has to be run very fast, and of course for that reason it wears out quickly and needs continuous repair.

Chairman WALSH. How quickly does it wear out?

Mr. GETZENDANER. Well, it depends on whether you keep it in repair. The country gin where they have a good patronage usually pays a good dividend. There are some that don't pay any.

Chairman WALSH. You may go ahead now.

Mr. GETZENDANER. I understood that the witnesses spoke of the half renter as being mostly negroes and the renters who seemed to be more oppressed because they did not have anything. I want to say in that connection that I have more half renters than I have third and fourth. And I figure out that

my half renter on his crop nets me 3.4 per cent on the value of the land, with the same valuation practically and the same man.

Chairman WALSH. Have you figured out in the instance with reference to the half any typical case, such as the third and fourth?

Mr. GETZENDANER. Yes; in a way I have. The half renter for 1913—this one I have reference to—had 70 acres in cotton.

Chairman WALSH. Seventy acres?

Mr. GETZENDANER. Yes. He got \$1,226 for his share. That is what we term a 2-team crop, you might say, about 70 acres, besides his corn. In 1914 he received \$992 as his part. Of course all the expenses of that crop I paid, with the exception of picking. But there is nothing else for him to pay, because I furnish all the tools, feed, mules, and the land, and he furnishes the labor to make the crop and deliver it to the gin.

Chairman WALSH. How many children did he have?

Mr. GETZENDANER. Well, I don't know. That is one of the troubles with the tenants. They have so many children it takes all they make to keep the family up. That is one of the drawbacks, I think. I think he has probably eight or nine children. And I will say right here that a man with a large family is a desirable tenant, because he, with his family, can make his crop, but it requires practically all he makes to keep the family, and he is not able to go to town and educate them.

Commissioner LENNON. In this connection, what do you do about the contract stores? Did you guarantee the account or do you furnish the stuff?

Mr. GETZENDANER. I furnish my men.

Commissioner LENNON. You furnish them?

Mr. GETZENDANER. Yes.

Commissioner LENNON. I would like to ask you one question. Possibly I got a wrong impression yesterday. What is the average size and what is the average number of acres that tenants usually take? I understood yesterday that it ran somewhere about 40 acres. But in a talk last night I was told I was wrong in that. What is your view?

Mr. GETZENDANER. These figures are estimates made by the farmers on my place, the man himself who cultivates the crop. This one man here is what we term a 1-team crop, 55 acres.

Commissioner LENNON. How much in cotton?

Mr. GETZENDANER. Forty-five in cotton and 10 in corn. This man on the third and fourth up here, he has got 100 acres cotton and 20 in corn. This half renter has 70 acres in cotton and 18 in corn. All of them are asking for more land.

Commissioner LENNON. Could you tell us what the average corn crop is on that land—how many bushels to the acre?

Mr. GETZENDANER. We used to raise pretty fair corn, but in the last few years we have not raised very much corn. I suppose 30 to 40 bushels would be a pretty good average in the last few years; 40 bushels would be considered a good crop and 30 bushels a fairly good crop.

Chairman WALSH. How many families have you as tenants?

Mr. GETZENDANER. I have about 13 on this one particular place.

Chairman WALSH. On all your places how many have you, Mr. Getzendaner?

Mr. GETZENDANER. I could not tell.

Chairman WALSH. Could you not approximate them, Mr. Getzendaner?

Mr. GETZENDANER. No; I am interested in 8,000 acres in Kaufman County, and I don't know how many families or don't know anything about that.

Chairman WALSH. Well, then, take these 13; do you think that what you are giving now would be a fair average as to earnings for all of your tenants?

Mr. GETZENDANER. No, sir; it would not.

Chairman WALSH. Then I wish you would give us—I do not want to hurry you—but I wish you would give us now the very worst.

Mr. GETZENDANER. The worst is on the cheaper land. That is, the land that is valued at about \$50 an acre.

Chairman WALSH. Well, give us now—I take it that these are the best that you have given us, these two?

Mr. GETZENDANER. No; they are not the best.

Chairman WALSH. Please give us the best and the worst.

Mr. GETZENDANER. I take these of the black land—cotton farmer—and the other men I have are on what you might term lighter or cheaper land and raise more grain. I haven't the data on that because I did not think it was necessary.



Chairman WALSH. Give me the worst and the best on the black land—cotton farming.

Mr. GETZENDANER. These are just about the average of my men.

Chairman WALSH. Then that would be a fair average?

Mr. GETZENDANER. Yes; I would consider it so.

Chairman WALSH. How many have you on that black land?

Mr. GETZENDANER. I have on this particular farm about 13 renters.

Chairman WALSH. Well, now, you think—

Mr. GETZENDANER. The reason I selected these, if you will pardon me—

Chairman WALSH. Yes.

Mr. GETZENDANER (continuing). Is because I have some negroes there with from 20 to 30 acres, maybe 2 or 3 of them working 20 to 30 acres, and another man who has not been there but a year, and another fellow who has some broken land; these are the men who have been there longer and have the good land, and you can judge better by their returns than in any other way.

Chairman WALSH. Very good. Go ahead.

Mr. GETZENDANER. Now, the gentleman asked me something about the number of acres. I believe I answered him?

Chairman WALSH. Yes.

Mr. GETZENDANER. About the number of acres per team or per crop. I believe I have answered that satisfactorily?

Chairman WALSH. Yes; I think so.

Mr. GETZENDANER. That was all you cared to know about this?

Chairman WALSH. Have you raised rent from time to time on your land?

Mr. GETZENDANER. Never have raised rent at all. I did raise corn-land rent from \$3 to \$4 an acre, and some \$5.

Chairman WALSH. When was that?

Mr. GETZENDANER. I don't know. Years ago. I don't remember.

Chairman WALSH. What is the bonus system? Is there a bonus system in Ellis County?

Mr. GETZENDANER. Yes; I think a kind of bonus system.

Chairman WALSH. Describe that.

Mr. GETZENDANER. I do not know much about that.

Chairman WALSH. Have you used it?

Mr. GETZENDANER. No, sir; I don't know anything about it only hearsay. The bonus system was originated principally by the demand for farms, one tenant giving a bonus to another for his rental contract.

Chairman WALSH. One tenant giving it to another?

Mr. GETZENDANER. Yes.

Chairman WALSH. Do you know of any other instance where the bonus was given to the landlord?

Mr. GETZENDANER. Yes.

Chairman WALSH. Describe that also.

Mr. GETZENDANER. A man would go to the landlord and say: "If you will give me that place I will give you \$100 or \$200."

Chairman WALSH. Is that general in Ellis County?

Mr. GETZENDANER. I think not.

Chairman WALSH. How prevalent is it?

Mr. GETZENDANER. Well, I have heard of a number of cases. A man came to me and said, "If you will rent me that place, I will furnish my team, tools, and give you half of the product of the land, if you will just feed my team. That is all I want you to do, and furnish the land. I have the team and tools, but haven't any place."

I think this bonus system was actually due to the fact of a lot of our farmers going west, some of the land the governor referred to as being subject to cultivation. They went there, starved out, and came back, and they overflowed our county with tenants. There was not land sufficient for them, and of course they would offer to pay most anything they could to get a home.

Chairman WALSH. Well, now, just proceed with the question, because I have diverted you from time to time, and I have to finish up. If you will just kindly read the questions and answers, I will be obliged.

Mr. GETZENDANER. "Origin of the raise to one-third cotton." One-third of cotton rent due to small revenues derived from investment and probably in some cases due to increased taxation.

"Origin of custom of charging share rental for cotton and cash rental for corn or grain."

Cotton being the money crop, landlords take part of crop. Same is true of wheat and oats. Corn not being a sure crop most tenants prefer to plant just enough for feed. The landlord realizing that corn land is often neglected, and, having no place to store corn, prefers cotton.

"Was rise in rent modified by competition among tenants for land?"

It was.

"Did tenants on places accept rise, or did they move to other farms?"

Generally speaking, they moved.

"What about claim in Ellis County that it is only the poorest type of farmers who accept rise in rent?"

Not in all cases. In some cases it is true, and some it is not.

"Where landlord's rights are unprotected."

I did not answer that question, because I did not exactly understand what you wanted.

Chairman WALSH. Is the law inadequate to protect the rights of landlords?

Mr. GETZENDANER. I think it is adequate.

Chairman WALSH. In what respect?

Mr. GETZENDANER. It gives him a mortgage on the crop for advances he has made, and if the tenant should move the crop off of the land he has 30 days in which to collect his advances, or rents.

Chairman WALSH. And you have not, or have you, lost money that way by the tenant not paying back the advances?

Mr. GETZENDANER. I have not lost money. I have had tenants not able to pay out, but I have lost very little money on my tenants, because I change very rarely; nearly all of them are out of debt on this place. I do not think there is a man on this place that owes me.

Chairman WALSH. What is the policy with regard to the cultivation of cotton?

Mr. GETZENDANER. My policy has been to grow principally cotton, as my experience has proven that this crop is more profitable, and therefore more beneficial, to myself and to the tenant.

Chairman WALSH. Is that policy in harmony with the general custom of landlords in Ellis County?

Mr. GETZENDANER. Yes.

Chairman WALSH. I wish you would go to the housing question, please. Are tenant houses large enough to house the average tenant families that live upon them?

Mr. GETZENDANER. Yes, sir; generally speaking.

Chairman WALSH. Are they kept in good repair?

Mr. GETZENDANER. No; they are not.

Chairman WALSH. Who looks after that?

Mr. GETZENDANER. The landlord is supposed to.

Chairman WALSH. Are they erected with regard to sanitary drainage, water supply, good water supply, etc.?

Mr. GETZENDANER. They are mostly erected with regard to water supply.

Chairman WALSH. Any sanitary drainage, or anything of that sort?

Mr. GETZENDANER. No; not to speak of.

Chairman WALSH. Have you observed much sickness in rural communities caused by bad housing?

Mr. GETZENDANER. No.

Chairman WALSH. Is there much overcrowding in sleeping rooms?

Mr. GETZENDANER. I think not.

Chairman WALSH. Do landlords improve tenant houses, and improve them readily and willingly?

Mr. GETZENDANER. No, sir; because they are not generally taken care of.

Chairman WALSH. That is the reason. I wish you would go back to that family of eight or nine that you mentioned there—that on the half—and just describe the house they live in.

Mr. GETZENDANER. They live in a new house that has been built about a year.

Chairman WALSH. How many rooms in it?

Mr. GETZENDANER. Oh, I judge there must be four rooms downstairs and two up.

Chairman WALSH. A six-room house?

Mr. GETZENDANER. I think it is a six-room house.

Chairman WALSH. Have you been in it?

Mr. GETZENDANER. Yes.

Chairman WALSH. Do you inspect your own houses on your own property?



Mr. GETZENDANER. Yes.

Chairman WALSH. Do the landlords in Ellis County, with whom you are familiar, appear to feel any social responsibility for the sanitary housing of tenants—of their tenants?

Mr. GETZENDANER. I don't know. Some do and some do not.

Chairman WALSH. Do you?

Mr. GETZENDANER. Yes; I think I do.

Chairman WALSH. Well, now, what do you do with respect to it?

Mr. GETZENDANER. I try to keep the houses in fairly good shape. I do not spend any great amount on them, because I build new houses, occasionally, on the site of the old ones, when they get old.

Chairman WALSH. You spoke of drainage being good. What do you mean by drainage being good? What is done for drainage?

Mr. GETZENDANER. I said they erected houses with reference to water supply more than for drainage.

Chairman WALSH. It was the water supply. What do you mean by that?

Mr. GETZENDANER. Where they can get water for drinking purposes.

Chairman WALSH. That is, if they can build it near a place where you can sink a well?

Mr. GETZENDANER. We erect our houses with reference to the water, among the principal things, and then pasturage; our land is usually rolling, and there is no trouble about drainage.

Chairman WALSH. What is the usual value of a tenant house, your tenant houses?

Mr. GETZENDANER. They run from \$750.

Chairman WALSH. Up to what?

Mr. GETZENDANER. I suppose about \$1,500; possibly not quite so much.

Chairman WALSH. Do the tenants appear to have proper consideration for the property of the landlords, the conservation of the proper care of it?

Mr. GETZENDANER. Some do and some do not.

Chairman WALSH. What do you find the average to be among the tenants?

Mr. GETZENDANER. My tenants take very good care of my property.

Chairman WALSH. Now, the educational and social environment. I wish you would describe the schools that they have.

Mr. GETZENDANER. Generally speaking, our schools are good, far above the average of country schools. In Ellis County there are 86 rural schools, 7,900 children, 150 teachers, with an average term of 6 months, and grades up to the seventh and ninth.

Chairman WALSH. You may proceed right through that.

Commissioner LENNON. May I ask one question, right there?

Chairman WALSH. Yes. Commissioner Lennon would like to ask a question.

Commissioner LENNON. I would like to ask how far any of the children have to go to reach the schools?

Mr. GETZENDANER. That varies.

Commissioner LENNON. Yes; but how far would those that are the most remote from the schools have to go?

Mr. GETZENDANER. I would say 2 or 3 miles.

Commissioner LENNON. Not more than 3 miles?

Mr. GETZENDANER. Not more than 3 miles, except maybe in some instances.

Commissioner LENNON. Have you any university extension work, so far as scientific farming is concerned, like, for instance, as we have in Illinois, Iowa, and some other Northern States, where a professor will go to a community and stay for about two or three, four, five, or six weeks and give instruction to all the farmers and tenants?

Mr. GETZENDANER. We have not.

Commissioner LENNON. You have none of that work?

Mr. GETZENDANER. No.

Commissioner LENNON. Have you experimental farms in your district under the University of Texas?

Mr. GETZENDANER. No, sir; we have not.

Commissioner LENNON. Under the agricultural college, if it is a separate institution, have you any of those?

Mr. GETZENDANER. No; we have not.

Commissioner LENNON. Experimental stations?

Mr. GETZENDANER. We have what we term a Government demonstrator.

Commissioner LENNON. In your neighborhood?

Mr. GETZENDANER. Yes.

Commissioner LENNON. Does he remain there permanently?

Mr. GETZENDANER. He is a local man.

Commissioner LENNON. He understands scientific farming?

Mr. GETZENDANER. He is supposed to, and he is being educated up to teach the other parties.

Commissioner LENNON. Has this kind of education for the farmer seemingly improved the crops any?

Mr. GETZENDANER. I would say it had.

Commissioner LENNON. Are the landlords usually in favor of that kind of work?

Mr. GETZENDANER. I think so. I have answered that right here, if you will allow me to read this.

Chairman WALSH. You may read right through there, because I will have to hurry along just a little.

Mr. GETZENDANER. All right.

Chairman WALSH. Read right through the school proposition, Mr. Getzen-

Mr. GETZENDANER. Its relation to social and economic organization.

Very little accomplished.

The school teacher and his possibility as a leader in rural life.

Possibilities are good, but he is not a leader.

The establishment of vocational training in agriculture; also in home economics.

Possibilities here are great. So far, however, there has been very little accomplished, owing to lack of interest. During the past year, under the provision made by Federal Congress for farm-demonstration work, our commissioners' court provided a fund adequate to keep this work going during 1914. Owing to a change in sentiment they refused to provide the necessary fund to carry on the work during 1915, but the interest was so great among the people of the towns and counties that a fund of \$800 has been subscribed by private subscriptions to carry on farm-demonstration work.

Chairman WALSH. Now, the question of farm-demonstration work and the source of labor for seasonal demand. What have you to say about that?

Mr. GETZENDANER. Our source of labor is south and east Texas.

Chairman WALSH. And what is the movement of labor, so far as the season is concerned?

Mr. GETZENDANER. The influx of labor during the early fall for cotton picking.

Chairman WALSH. Do you get enough, or an overplus?

Mr. GETZENDANER. We usually get about what we can use.

Chairman WALSH. Have you any methods of regularizing supply and demand—any arrangement with different portions of the State?

Mr. GETZENDANER. No; the farmers just go after the labor, and they pay railroad fare and expenses, and sometimes advance them some money.

Chairman WALSH. Would employment agencies be a proper course?

Mr. GETZENDANER. I don't think they would be practicable with the negro.

Chairman WALSH. And the labor is negro labor?

Mr. GETZENDANER. Yes.

Chairman WALSH. What is the relation of the vagrancy law to farm labor?

Mr. GETZENDANER. You asked me the question here, Why was the vagrancy law enforced last September to force the negroes of Waxahachie into the fields?

There were many idle negroes around town. Work was offered and was plentiful, but they would not work. The farmers needed labor badly.

Chairman WALSH. Is it not true that the negroes wanted 60 cents for cotton, the farmers could pay only 50 cents, and the business men in town called upon the police officers to break this strike of unorganized labor?

Mr. GETZENDANER. The negroes wanted 60 cents, and the farmers regarded 50 cents as a fair price, considering the low price of cotton. There was no concerted action among the business men, although there was a general feeling that the idle negroes should go to work. The cotton grower of Ellis County pays more for what he receives from labor than any other people. The negro willingly works, generally speaking, for a reasonable compensation nine months in the year, biding his harvest time—"cotton-picking season." When such season arrives he or she quits the regular position for the cotton patch. By a sort of mutual understanding they always ask more than is offered, and usually get the price of picking increased in that way as the season advances.



Chairman WALSH. Now, after the officers arrested these negroes for vagrancy did they generally go to work for 50 cents instead of 60?

Mr. GETZENDANER. I don't think they arrested them.

Chairman WALSH. Well, did they threaten to arrest them, and then did the negroes go to work for 50 cents instead of 60 cents?

Mr. GETZENDANER. I think they just gradually went out to the patch. I don't know what they got.

Chairman WALSH. What was generally the price paid—50 or 60 cents?

Mr. GETZENDANER. I don't remember.

Chairman WALSH. What did you pay?

Mr. GETZENDANER. I don't remember—I never had anything to do with hiring labor.

Chairman WALSH. You did not hire any?

Mr. GETZENDANER. No, sir.

Chairman WALSH. Is it customary for the vagrancy law to be invoked in the State of Texas at the beginning of the cotton season?

Mr. GETZENDANER. I know only what I have seen in the papers and how it is usually discussed among people about getting the negroes out and getting them to go to work, instead of lying around the streets and refusing to do anything. As long as there is no work there, nothing is said about it, but when work is offered they won't accept it without they get a fabulous price for their labor.

Chairman WALSH. Would the effect of that now, if that occurred, be this, that those negroes believed that they ought to have 60 cents, and, in effect, they start a strike, though not organized, but just agree among themselves not to go to work for less than 60 cents, and then they are told by the officers or by the business men that they are looked upon as lazy negroes, and if they don't go to work the vagrancy law will be applied to them, and the negro does go to work then for 50 cents; and isn't the effect of that that the negro does go on the strike and the law is called in, and he is told he will be sent to jail unless he gives up the strike and does go to work—

Mr. GETZENDANER (interrupting). He doesn't have to go to work; he can get out, or he can get other work.

Chairman WALSH. Are they always provided with other means?

Mr. GETZENDANER. They can get work if they will work.

Chairman WALSH. That is, if they will work at a certain price?

Mr. GETZENDANER. He gets more for cotton picking than for any other labor, when he gets 50 cents. He is paid about a third more than he really can get in any other position when he is paid 50 cents.

Chairman WALSH. So far as you are concerned and have observed the working out of this matter the farmers or business men are justified in taking the action described by you?

Mr. GETZENDANER. No; I don't know that they are. Of course, if the negroes are there and the farmer tries to hire them and they won't work when work is offered and they are living off of somebody, if you have a vagrancy law it should be enforced, why, they ought to go to work.

Chairman WALSH. Just describe what this 50 cents means; Commissioner Lennon wants me to ask you what it means.

Mr. GETZENDANER. That is 50 cents per hundred.

Chairman WALSH. How many hundred a day can a picker pick?

Mr. GETZENDANER. It varies all the way up to 500 pounds.

Chairman WALSH. And down to what?

Mr. GETZENDANER. That depends upon the amount of cotton in the field they are picking in, and whether it opens well. Any negro woman would pick from 150 to 200 or 300 pounds.

Chairman WALSH. And how long does the season last?

Mr. GETZENDANER. The season lasts from September, or from some time in August probably, up until it gets cold in December; from then on they can pick only on warm days.

Chairman WALSH. Why did the tenants in Ellis County oppose the good-roads movement?

Mr. GETZENDANER. I don't think they did, generally speaking.

Chairman WALSH. Is it true that some landlords threatened to raise rents so much per acre if the tenants voted for the good-roads proposition?

Mr. GETZENDANER. I don't know of any landlord who did that.

Chairman WALSH. Is there much friction between landlords and tenants over school-district elections, land taxes, and the like?

Mr. GETZENDANER. No; there is not.

Chairman WALSH. Now, as to the credit system: How did your tenants finance themselves?

Mr. GETZENDANER. By advancements.

Chairman WALSH. Who did the advancing?

Mr. GETZENDANER. I—my man did.

Chairman WALSH. That is, with your money?

Mr. GETZENDANER. Yes, sir.

Chairman WALSH. Did you take chattel mortgages?

Mr. GETZENDANER. No, sir; I don't have any chattel mortgages on my place at all. If a man gives a chattel mortgage I get rid of him.

Chairman WALSH. When the tenants are advanced money do you take their notes?

Mr. GETZENDANER. No.

Chairman WALSH. What charge was made for the advancement?

Mr. GETZENDANER. Ten per cent.

Chairman WALSH. Ten per cent per annum?

Mr. GETZENDANER. Yes, sir.

Chairman WALSH. Will the present cotton prices cause many foreclosures on chattel mortgages this year?

Mr. GETZENDANER. I don't think they will. It will cause a few, not very many—because the people that have the mortgages do not want the stuff.

Chairman WALSH. Have you any opinion in regard to constructive action that could be taken to relieve anything that you might consider to be an abuse in relation between landlord and tenant in your neighborhood, either by law or by cooperation of the tenants with each other or between the tenants and the landlords?

Mr. GETZENDANER. I had this in mind and have written it——

Chairman WALSH (interrupting). Very good.

Mr. GETZENDANER. The basis of permanent betterment in rural economic conditions is through education. Our rural schools and churches should be equipped as social centers and the people encouraged to participate in all plans for the upbuilding of the country. School-teachers should be chosen with a view to this end, and every rural teacher, at least the head of every rural school, should have a practical knowledge of agriculture. As far as practical and by degrees there should be added to the curriculum of rural schools, courses in agriculture, broad enough to meet the present need, and revised from time to time to meet the requirements. Carefully selected textbooks, periodicals, etc., dealing with questions of home economics, and handled as a circulating library, should prove beneficial. Educators in all walks of life should be encouraged to contribute through press and public speech to an educational propaganda, the aim being to bring the people of the country and the town on the common ground of mutual betterment. That is, through schools; you have to reach them through education.

Chairman WALSH. Mr. Holman has suggested that I should ask you whether or not you thought the Government, State or National, could assist in the movement of farm laborers by a system of exchanges, for instance, to relieve a situation such as you mentioned there about these laborers simply drifting to a neighborhood because it had been customary to do so, and then the contention arising as to price and so forth?

Mr. GETZENDANER. It might be, but I don't know how it would work for the negro, and that is our only labor, you might say.

Chairman WALSH. Mr. Holman would like to ask you some questions.

Mr. HOLMAN. Mr. Getzendaner, I arrived in Waxahachie on the 6th or 7th of last September, and at that time the commercial club was holding meetings to break what appeared to be a strike on the part of the negro cotton pickers, and they used to cluster around the square there, and the papers were full of the idea of using the vagrancy law to force the negroes to go into the field to pick for 50 cents per hundred pounds instead of 60.

Chairman WALSH. He has been over that fairly well while you were out, Mr. Holman, and he said that there were no such conditions at his place, and that it was published at the time that these were idle negroes and ought to go to work.

Mr. GETZENDANER. That it was their fault that the negroes congregated around that way.

Chairman WALSH. Now, is there any suggestion that you would like to make, or any testimony you would be kind enough to volunteer which you think would throw light upon our study here?



Mr. GETZENDANER. Home ownership, to my mind, is the ideal condition of mankind from an economic point of view, though doubtless a large per cent of mankind will continue tenants for obvious reasons. The landowner who lives in the cities no longer finds it profitable to hold large tracts of land to be farmed by tenants, therefore should welcome an opportunity to dispose of his holdings on a reasonable basis and fair terms to the best element of tenants. From my knowledge of conditions I see nothing from the landowners' position that would in any wise prove an obstacle to any deserving man buying a home in Ellis County on a fair and reasonable basis.

I want to say that Ellis County—you have heard a good many speak of their towns and their counties—we have, I think, what is regarded not only with us, but with the State of Texas as a whole, as the best county in Texas. We have a class of citizenship as renters far above the average, and our schools, and for that matter—I want to call your attention to a little data I have here. We are one of the prime counties in the good roads. We spent \$1,000,000 for good roads in our county. We have 600,000 acres in our county, the assessed valuation of which is \$37,000,000, and our rendition is \$32 per acre. Our value is over \$100,000,000. Per capita of cash in the county is \$66 per capita; the per capita of wealth is about \$2,000. The population is, white, 45,000; negro, 10,000. Our vote on the good roads—you asked me about that with reference to the tenants—our vote in District No. 1 was about 5 to 1 for good roads. Our road tax varies from 19 cents to 30 cents, and we have about 325 miles of good roads, which cost us from \$2,000 to \$3,500 per mile, the total cost in the county being about \$1,000,000 for good roads. Our State and county taxes are 65½ cents; school and road tax from 5 to 50. Now, I want to say in that connection in regard to our land tax, I estimate my land tax at about 50 cents an acre—40 or 50 cents an acre. So you can tell something as to revenue bearing. That is what it costs me.

Chairman WALSH. We are very much obliged to you.

Mr. Noble will please take the witness stand.

#### TESTIMONY OF MR. W. S. NOBLE.

Chairman WALSH. Mr. Holman will conduct the examination.

Mr. HOLMAN. Please state your occupation, Mr. Noble?

Mr. NOBLE. I am a farmer. I am or have been actively engaged quite a bit of my life in the work of the Farmers' Alliance and Farmers' Union. At the present time I am national secretary of the Land League.

Mr. HOLMAN. What is that organization?

Mr. NOBLE. It is an organization composed of actual farmers.

Mr. HOLMAN. And renters?

Mr. NOBLE. Farmers and renters. No one allowed to become a member that does not cultivate his land.

Mr. HOLMAN. What is the membership of the organization now?

Mr. NOBLE. I could not answer that question definitely. The financial depression has caused so many locals to report so slowly. I would think in Texas we have something like 200 organizations; in Oklahoma we have something over 100 organizations, in Missouri about 7 or 8.

Mr. HOLMAN. Are these organizations on the county unit, or local?

Mr. NOBLE. They are on the local.

Mr. HOLMAN. How old is the organization, Mr. Noble?

Mr. NOBLE. The Land League really absorbed what was known as the Renters' Union, which changed its program somewhat, and dates from last November.

Mr. HOLMAN. Mr. Noble, we will ask you later about the names and objects of the organization and its constitution.

Mr. NOBLE. Very well.

Mr. HOLMAN. Have you had any experience with this drifting type of tenant that has been discussed here by various witnesses?

Mr. NOBLE. Well, sir, I have had quite a bit of experience with them.

Mr. HOLMAN. How extensive has that experience been?

Mr. NOBLE. Well, I have had to do with them in the Farmers' Union and have been able to take considerable notice of the matter as an organizer of the Farmers' Alliance.

Mr. HOLMAN. Have you had occasion to observe the condition they have been in this year as a result of the so-called cotton crisis?

Mr. NOBLE. Yes, sir; I have been in the homes of these people for the last 10 years continuously.

Mr. HOLMAN. How has it been during that time?

Mr. NOBLE. Well, if I understand the question, I have it you are asking me about that second type?

Mr. HOLMAN. Yes, sir.

Mr. NOBLE. I will take it up in my own way. I find that the tenantry is divided into what we might say was three different classes. One I would describe as the well-to-do tenant, who is able to finance himself; another is the middle well-to-do tenant who generally by mortgaging his crops, etc., gets by; and the third and last is the fellow whose landlord has to furnish him his property, or it is furnished by anyone who wants to employ him.

Chairman WALSH. What are the proportions of the classes you have mentioned, Mr. Noble?

Mr. NOBLE. Well, it seems that each year there are more people crowded down into what we might call the migratory tenant or the submerged tenant; it seems that the number of them grows greater and greater each year, and their condition is very bad.

Chairman WALSH. I do not want you to hold it right down to the cotton crisis, that being an abnormal condition.

Mr. NOBLE. Yes.

Chairman WALSH. But tell us, before the war crisis came on, about what proportion of the tenantry composed the well-to-do class, class No. 1.

Mr. NOBLE. I could not answer that question, but I will say that they were very small.

Chairman WALSH. Now, class No. 2, the middle class, what proportion did they comprise?

Mr. NOBLE. It is larger, and with No. 3 would—I believe I could safely say two-thirds of the tenant class.

Chairman WALSH. Two-thirds of the entire tenant class would be composed in class No. 3?

Mr. NOBLE. Yes, sir.

Chairman WALSH. They are what you would call the economically submerged class?

Mr. NOBLE. Yes.

Chairman WALSH. Do I understand that they are a growing class?

Mr. NOBLE. Yes; decidedly so.

Chairman WALSH. During the past 10 years?

Mr. NOBLE. Yes.

Chairman WALSH. How do they go as to race—are they negroes or whites or what?

Mr. NOBLE. Well, I believe that as a class the white race is suffering more than the negro.

Chairman WALSH. This migratory class of tenants—the third class that you spoke of—is made up mostly of what?

Mr. NOBLE. That class is composed mostly of whites.

Mr. HOLMAN. Mr. Noble, we sent you out two or three days ago to find what you considered an average example of this drifting class of tenant farmers?

Mr. NOBLE. Yes, sir.

Mr. HOLMAN. I wish you would please tell the chairman and members of the commission something of this class, as a whole, and then describe this family as you found them.

Mr. NOBLE. Yes, sir. Now, when you made the request of me to locate this family—

Chairman WALSH (interrupting). What request did Mr. Holman make of you?

Mr. NOBLE. He asked me to find a typical family that would represent that class as nearly as possible; a man of intelligence and character. As secretary of the Land League I receive so many letters stating the bad condition of the people that I was very much undecided. I was a delegate from my camp of the Woodmen of the World, the head camp at Fort Worth, and I asked a man who was also a delegate from Savoy, from the black-land belt, to assist me, and gave him instructions that I wanted only a man of good character. I examined a case that was especially a typical case at Grand View, and also one at Anna, in which they were offering to give their children away, and another case at Enlow, in which the conditions were very bad. But my investigation led me to believe that the family I have brought here was a family that would more nearly represent what you want to know. First, the man is an Odd Fellow and well respected by his order; he is a Woodman, and he has made



something, I found, over 430 bales of cotton in 12 years—some thing like 450 bales. He is a man who has always had the name of being a hard-working, honest man, and so I went out yesterday and visited him and brought him in.

Chairman WALSH. Where does he live?

Mr. NOBLE. He is living in a house that he secured to live in for two weeks, across from a little station on the M., K. & T. road, 7 miles from Savoy. It is about a mile from a little switch or siding that runs up there.

Chairman WALSH. What is this man's name?

Mr. NOBLE. His name is Stewart.

Chairman WALSH. Did he express a willingness to come in voluntarily, or at your suggestion, and state his own private case as being typical?

Mr. NOBLE. Yes, sir; he said he would come, from the fact that he had walked 250 miles hunting a place and could not find one, and that he had this house he was in for only two weeks, and he thought that if this matter was put before you someone might help him to get a home so that he could make a living for his family.

Mr. WALSH. How many children has he?

Mr. NOBLE. Eight; I brought six.

Chairman WALSH. That is all for the present, Mr. Noble. Will you please ask Mr. Stewart to come in here.

At this point we will take a recess of 5 minutes.

(At the conclusion of the recess the examination of witnesses before the commission was continued, as follows:)

Chairman WALSH. Mr. Stewart, would you please take the stand?

Mr. STEWART. Yes, sir.

#### TESTIMONY OF MR. LEVI THOMAS STEWART.

Chairman WALSH. What is your name, please?

Mr. STEWART. L. T. Stewart.

Chairman WALSH. What does the "L." stand for?

Mr. STEWART. Levi.

Chairman WALSH. How old a man are you?

Mr. STEWART. Forty-five last August.

Chairman WALSH. Where were you born?

Mr. STEWART. In Arkansas.

Chairman WALSH. You are a married man?

Mr. STEWART. Yes, sir.

Chairman WALSH. Where were you married?

Mr. STEWART. In Arkansas.

Chairman WALSH. Did you go to school in Arkansas?

Mr. STEWART. Yes, sir; I went to school in Arkansas.

Chairman WALSH. You were born in Arkansas?

Mr. STEWART. Yes, sir.

Chairman WALSH. In what county?

Mr. STEWART. In White County, at Center Hill.

Chairman WALSH. What business were your folks in?

Mr. STEWART. Farming.

Chairman WALSH. Was your father a farm owner or a renter?

Mr. STEWART. A renter part of the time, and he owned a farm part of the time.

Chairman WALSH. How many children did your father have?

Mr. STEWART. My father had 11 children.

Chairman WALSH. Where were you married?

Mr. STEWART. In Arkansas; in Faulkner County, near Conway.

Chairman WALSH. What business did your brothers and sisters follow?

Mr. STEWART. All farmers.

Chairman WALSH. Were all of them renters—were your brothers renters or were they farm owners?

Mr. STEWART. All but one were renters; I have one that owns a farm.

Chairman WALSH. All but one were renters?

Mr. STEWART. Yes, sir.

Chairman WALSH. What school did you go to—a country school?

Mr. STEWART. Yes, sir.

Chairman WALSH. Until you were how old?

Mr. STEWART. I went to school until I was 18.

Chairman WALSH. Did you work on the farm a part of the time?

Mr. STEWART. Yes, sir.

Chairman WALSH. Have you followed that all your life?

Mr. STEWART. Yes, sir.

Chairman WALSH. Do you follow any form of religion—did you as you went along?

Mr. STEWART. No, sir; I don't belong to any church.

Chairman WALSH. When were you married?

Mr. STEWART. I was married in 1887. In the fall of 1887.

Chairman WALSH. Where were you married?

Mr. STEWART. In Faulkner County, Ark.

Chairman WALSH. Was your wife a resident of that neighborhood, that country?

Mr. STEWART. Yes, sir.

Chairman WALSH. Was she a daughter of a farmer?

Mr. STEWART. Yes.

Chairman WALSH. In your own neighborhood?

Mr. STEWART. Yes.

Chairman WALSH. You say you are about 45 years old now?

Mr. STEWART. I am 46 in August.

Chairman WALSH. How many children have you?

Mr. STEWART. Eleven.

Chairman WALSH. Are they all living?

Mr. STEWART. No, sir; I have eight living and three dead.

Chairman WALSH. How old is your oldest child?

Mr. STEWART. He is 26, I believe.

Chairman WALSH. What was your wife's name?

Mr. STEWART. Beulah Hooks.

Chairman WALSH. I wish you would give me the ages of the living children, if you can.

Mr. STEWART. I don't know as I can.

Chairman WALSH. With the assistance of Mrs. Stewart you may give us the ages of the living children, beginning with the oldest.

Mr. STEWART. He will be 26, I believe.

Mrs. STEWART. He will be 26 the 27th of April.

Chairman WALSH. What is his name?

Mrs. STEWART. John Walter.

Chairman WALSH. What is the next child?

Mrs. STEWART. He is dead, the next one. Henry Egbert is living.

Chairman WALSH. The one that died at that point, how old was that child?

Mrs. STEWART. She was a girl 5 months old.

Chairman WALSH. Now, the next one is Henry Egbert?

Mrs. STEWART. Yes, sir.

Chairman WALSH. Is he living?

Mrs. STEWART. Yes, sir.

Chairman WALSH. How old is he?

Mrs. STEWART. Twenty-one the 11th of October.

Chairman WALSH. Where is John?

Mrs. STEWART. He is at Mulberry.

Chairman WALSH. What is he doing?

Mrs. STEWART. Working on a farm.

Chairman WALSH. Was he a tenant or a laborer on a farm?

Mrs. STEWART. A laborer.

Chairman WALSH. Where is Henry Egbert—is he here?

Mrs. STEWART. Yes; he is here.

Chairman WALSH. Who is the next one?

Mrs. STEWART. Thomas Roy.

Chairman WALSH. How old is he?

Mrs. STEWART. Nineteen the 8th of November.

Chairman WALSH. Where is he?

Mrs. STEWART. He is at Anthony, working on a farm.

Chairman WALSH. Is he a laborer?

Mrs. STEWART. Yes, sir; he is a laborer.

Chairman WALSH. What is the next child?

Mrs. STEWART. He is 14.

Chairman WALSH. What is the name of that child?



Mrs. STEWART. Baxter Vernon. There is one dead in between—two dead in between this one and Thomas Roy.

Chairman WALSH. What are the names of the dead ones?

Mrs. STEWART. Ora Vivian, a girl.

Chairman WALSH. How old was she when she died?

Mrs. STEWART. Three years and ten days old; she died in Faulkner County, Ark.

Chairman WALSH. What did she die of?

Mrs. STEWART. Congestion.

Chairman WALSH. How long was she sick?

Mrs. STEWART. Four days.

Chairman WALSH. Did you have medical attendance?

Mrs. STEWART. Yes, sir.

Chairman WALSH. And the next one to Ora Vivian, who is dead, what was the name of that child?

Mrs. STEWART. Willie Joe.

Chairman WALSH. How old was he when he died?

Mrs. STEWART. Five months old.

Chairman WALSH. Where did he die?

Mrs. STEWART. He died there where Vivian died.

Chairman WALSH. Take Baxter Vernon, how old is he?

Mrs. STEWART. He will be 15 in April; he was born on the 4th of April, 1902.

Chairman WALSH. Where is he?

Mr. STEWART. He is here with us.

Chairman WALSH. Who is the next one?

Mrs. STEWART. Myra M.

Chairman WALSH. How old is Myra?

Mrs. STEWART. She is 10 years old the 11th, I believe, of February.

Chairman WALSH. Myra is here?

Mrs. STEWART. Yes, sir.

Chairman WALSH. And who is the next one?

Mrs. STEWART. Lian Lester.

Chairman WALSH. How old is Lian?

Mrs. STEWART. Six years old.

Chairman WALSH. And Lian is with you?

Mrs. STEWART. Yes.

Chairman WALSH. The next one is who?

Mrs. STEWART. Henry—he ain't got no name.

Chairman WALSH. How old is he?

Mrs. STEWART. Six years old—5 years old.

Chairman WALSH. You say that he has not been named?

Mrs. STEWART. Yes; William Henry; Luke is his nickname.

Chairman WALSH. How old is he?

Mrs. STEWART. Five years old.

Chairman WALSH. And the next one?

Mrs. STEWART. Levi Bezileal.

Chairman WALSH. How old is Levi?

Mrs. STEWART. Three years old, in October.

Chairman WALSH. Now, those are all?

Mrs. STEWART. Yes.

Chairman WALSH. I wish you would start out, Mr. Stewart, if you will, please, and tell us what your history has been; that is, how long did you stay with your parents before you went out for yourself.

Mr. STEWART. I stayed with them until I was 18 years old.

Chairman WALSH. Then what did you do?

Mr. STEWART. I got married.

Chairman WALSH. How old were you when you got married? Oh, you say you were 18?

Mr. STEWART. Yes.

Chairman WALSH. How old was your wife?

Mr. STEWART. She was 15.

Chairman WALSH. You married a girl in the neighborhood?

Mr. STEWART. Yes.

Chairman WALSH. Where was the first place you went out for yourself?

Mr. STEWART. I was in Arkansas, at Conway.

Chairman WALSH. What did you do there?

Mr. STEWART. I farmed.

Chairman WALSH. Did you rent a place?

Mr. STEWART. Yes; I rented that year.

Chairman WALSH. How much of a place did you rent?

Mr. STEWART. I rented about 25 acres that year, the first year.

Chairman WALSH. How did you rent? What sort of a contract did you have?

Mr. STEWART. One-third and one-fourth, a verbal contract.

Chairman WALSH. That was the first year when you went out for yourself?

Mr. STEWART. Yes, sir.

Chairman WALSH. What did you furnish that year and what did your landlord furnish?

Mr. STEWART. I furnished one mule and my plows, and the landlord furnished nothing but the land.

Chairman WALSH. You had that mule on hand? Did you start in your married life with a team?

Mr. STEWART. No, sir; I bought one mule on credit.

Chairman WALSH. Had you any savings at all when you got married?

Mr. STEWART. No, sir; none at all.

Chairman WALSH. How much did you pay for the mule?

Mr. STEWART. I think it was \$105.

Chairman WALSH. How long did you have to pay it in?

Mr. STEWART. Until the next fall.

Chairman WALSH. What interest were you charged on the purchase price of the mule?

Mr. STEWART. Well, I don't know about the interest; they just sold me the mule for \$105. I don't think there was any interest; it was worth about \$75, that mule was.

Chairman WALSH. Did you give him a mortgage?

Mr. STEWART. Yes.

Chairman WALSH. What else did you buy, if anything?

Mr. STEWART. I bought some groceries.

Chairman WALSH. Did you go in debt for them?

Mr. STEWART. Yes, sir; to the same man.

Chairman WALSH. You bought them of the same man that sold you the mule?

Mr. STEWART. Yes, sir.

Chairman WALSH. Did you buy anything else?

Mr. STEWART. No, sir; just groceries.

Chairman WALSH. Who was that man?

Mr. STEWART. W. D. Cole.

Chairman WALSH. Where does he live?

Mr. STEWART. At Conway.

Chairman WALSH. Did he own the land?

Mr. STEWART. No, sir.

Chairman WALSH. Did he run a store in Conway?

Mr. STEWART. Yes.

Mr. WALSH. You knew him before, did you?

Mr. STEWART. Yes.

Chairman WALSH. You just went to him and got this credit and started in?

Mr. STEWART. Yes.

Chairman WALSH. How long did you stay at that place?

Mr. STEWART. One year.

Chairman WALSH. How did you quit at that time, did you pay for the mule?

Mr. STEWART. Yes; I did by settling the crop and everything in the summer; the fellow took the crop and everything and paid for the mule.

Chairman WALSH. What sort of a crop did you get the first year?

Mr. STEWART. About 5 bales of cotton and about 100 bushels of corn.

Chairman WALSH. Was that considered a good crop in that country?

Mr. STEWART. Yes, sir; a good year.

Chairman WALSH. Why did you leave there at the end of the first year?

Mr. STEWART. That was a sickly place, and I didn't want to stay there.

Chairman WALSH. Had you been sick the first year, or your wife?

Mr. STEWART. Yes, sir; I had been sick.

Chairman WALSH. What sort of a place was it—what did you get? You say the place was sickly. Did you have chills and fever?

Mr. STEWART. Yes, sir; chills and fever.

Chairman WALSH. Where did you go after your first year?

Mr. STEWART. I went on my mother's place then.



Chairman WALSH. Did your mother own a place?

Mr. STEWART. Yes; my mother owned a place.

Chairman WALSH. How many acres did you have to farm then?

Mr. STEWART. Twenty-five acres on her place.

Chairman WALSH. You had this mule, did you?

Mr. STEWART. No, sir; I rented a mule the next year from my brother.

Chairman WALSH. What became of the mule you paid \$105 for?

Mr. STEWART. I sold it and the crop; I gave it to the fellow to get him to take up the note for the mule and my groceries.

Chairman WALSH. It took the mule and what you had raised to make you square?

Mr. STEWART. Yes, sir.

Chairman WALSH. Did you discharge all of your obligations and quit squarely?

Mr. STEWART. Yes, sir; I quit square.

Chairman WALSH. And when you went onto your mother's place you rented a mule?

Mr. STEWART. Yes, sir.

Chairman WALSH. Did you have anything else when you went on there?

Mr. STEWART. No.

Chairman WALSH. How long did you stay there?

Mr. STEWART. I stayed there one year.

Chairman WALSH. What did you raise there?

Mr. STEWART. Corn and cotton.

Chairman WALSH. How much did you raise, if you remember?

Mr. STEWART. I raised about 5 bales that year, and about 100 bushels of corn.

Chairman WALSH. The same as the year before?

Mr. STEWART. Yes.

Chairman WALSH. A fair crop?

Mr. STEWART. Yes, sir.

Chairman WALSH. How did you come out that year?

Mr. STEWART. That year I came out, I think, about \$15 to the good.

Chairman WALSH. Did you work hard?

Mr. STEWART. Yes, sir.

Chairman WALSH. When was your first baby born? I mean with reference to the date of your marriage?

Mr. STEWART. In 1888.

Mrs. STEWART. No, Papa, in 1889.

Chairman WALSH. Now, why did you leave your mother's place?

Mr. STEWART. Well, she rented it out to another man, and it was too rocky and poor, and I thought I could do better.

Chairman WALSH. Where did you go?

Mr. STEWART. I went to another place owned by a fellow by the name of Naylor that year.

Chairman WALSH. You say you were \$15 to the good?

Mr. STEWART. Yes, sir.

Chairman WALSH. How much land did you farm from Mr. Naylor?

Mr. STEWART. I taken about 30 acres from him.

Chairman WALSH. That is what they call a one-team tenant farm?

Mr. STEWART. Yes.

Chairman WALSH. How did you do about your live stock then?

Mr. STEWART. I bought me a pony.

Chairman WALSH. Did you buy that pony on credit?

Mr. STEWART. Yes, sir; I bought it on credit.

Chairman WALSH. Did you buy anything else on credit?

Mr. STEWART. No, sir; I didn't buy anything on credit but the groceries; I bought them on credit.

Chairman WALSH. I wish you would please at this time—you just had yourself and wife that first year, and the baby was born in 1889?

Mr. STEWART. Yes.

Chairman WALSH. Tell just what you did now in actual work during those first two years; just describe it fully, because we are perfectly innocent about it; what time you did your work, when you got up in the morning, how much of the year you did work, and how much of the year you did not work and, the whole story.

Mr. STEWART. We got up early and stayed with it late.

Chairman WALSH. Did your wife do any work?

Mr. STEWART. Yes, sir; she helped me work.

Chairman WALSH. What did she do?

Mr. STEWART. She hoed cotton and picked cotton.

Chairman WALSH. What did you consider early?

Mr. STEWART. Getting out in the field by sunup.

Chairman WALSH. What time did you leave?

Mr. STEWART. At sundown.

Chairman WALSH. What did you do?

Mr. STEWART. I plowed and hoed.

Chairman WALSH. What did your wife do?

Mr. STEWART. She hoed.

Chairman WALSH. Did it take both of you to do the work?

Mr. STEWART. Yes, sir.

Chairman WALSH. And you were there alone, were you?

Mr. STEWART. Yes, sir.

Chairman WALSH. What did you do for amusement? Did you have any amusement of any kind?

Mr. STEWART. No.

Chairman WALSH. No church socials or gatherings in the neighborhood?

Mr. STEWART. No, sir. Sometimes we would have church of a Sunday.

Chairman WALSH. Was there any sort of entertainment or diversion of any kind; any show you could go to?

Mr. STEWART. No, sir.

Chairman WALSH. No gatherings of any kind?

Mr. STEWART. No, sir; not during the crop time.

Chairman WALSH. What is the "crop time"?

Mr. STEWART. That is about from the middle of February until the middle of July.

Chairman WALSH. What did you do after that—between the middle of July and the middle of February again?

Mr. STEWART. We would saw some stove wood, and cut wood, and anything we could get to do.

Chairman WALSH. What is the cotton-picking time?

Mr. STEWART. It commences from about the 15th of September.

Chairman WALSH. Who picked your cotton?

Mr. STEWART. I and her picked it along them times.

Chairman WALSH. You and she when you were alone?

Mr. STEWART. Yes.

Chairman WALSH. How long did it take you to pick your cotton?

Mr. STEWART. It taken us until about the 1st of December.

Chairman WALSH. Now, after that second year, where did you go; you say you got a pony and went on another place?

Mr. STEWART. Yes. I bought me a little railroad farm; I mean some railroad land and built me a little house; I just built the house on my land and rented some land from my brother for the crop; he bought him some railroad land.

Chairman WALSH. How much railroad land did you buy?

Mr. STEWART. Forty acres.

Chairman WALSH. On what terms did you buy?

Mr. STEWART. I bought it on six years' time.

Chairman WALSH. How long did you have the railroad land and work on it?

Mr. STEWART. I just had it one year.

Chairman WALSH. What sort of a year did you have that year?

Mr. STEWART. I had a pretty good year, a favorable year.

Chairman WALSH. How did you come to leave at the end of the first year? Why didn't you go on the six years?

Mr. STEWART. I could not go on. Cotton went down, and everything got balled up, and I could not pay for it.

Chairman WALSH. What did cotton sell for at that time, that year?

Mr. STEWART. I think it sold about 7 cents that year.

Chairman WALSH. How many bales of cotton did you raise on the 40 acres?

Mr. STEWART. That crop I made—you understand that was on my brother's place.

Chairman WALSH. You did not raise it on your own place?

Mr. STEWART. No.

Chairman WALSH. You just built a house and didn't do anything else on that?

Mr. STEWART. Yes, sir; I cleared 3 acres, but I didn't put anything on it.

Chairman WALSH. What was the 40 acres made up of?



Mr. STEWART. All in the woods.

Chairman WALSH. You built a house for yourself?

Mr. STEWART. Yes, sir.

Chairman WALSH. With your own hands?

Mr. STEWART. Yes, sir.

Chairman WALSH. And cleared 3 acres around your place, you say?

Mr. STEWART. Yes, sir.

Chairman WALSH. How many acres did you farm on your brother's place?

Mr. STEWART. I farmed 20 or 25 acres.

Chairman WALSH. What sort of a contract did you have with your brother?

Mr. STEWART. A third and a fourth.

Chairman WALSH. What did you raise that year on your brother's land?

Mr. STEWART. Corn and cotton.

Chairman WALSH. How much did you raise?

Mr. STEWART. Six bales.

Chairman WALSH. You did extra well that year compared with the other years?

Mr. STEWART. Yes, sir.

Chairman WALSH. And about the same amount of corn?

Mr. STEWART. Yes, sir; just about the same amount of corn.

Chairman WALSH. Do you know about how much you were in debt when you started in?

Mr. STEWART. When I started in with that crop?

Chairman WALSH. Yes.

Mr. STEWART. I expect I was in debt about \$100.

Chairman WALSH. Now, you say you got balled up. How much were you short of paying out when you got through that year, if anything? You say you got six bales of cotton, and that cotton went down to 7 cents?

Mr. STEWART. I lacked about \$40 of paying out that year.

Chairman WALSH. Of paying out everything?

Mr. STEWART. Yes.

Chairman WALSH. Where did you go then?

Mr. STEWART. I moved about 20 miles north of there.

Chairman WALSH. What became of your own 40 acres where you cleared the 3 acres and built a house?

Mr. STEWART. I traded that to the doctor.

Chairman WALSH. What did you get out of it?

Mr. STEWART. I got a doctor bill and \$15.

Chairman WALSH. You had run a doctor bill, had you?

Mr. STEWART. Yes, sir.

Chairman WALSH. What was the house worth?

Mr. STEWART. It was a log house, and I expect it cost \$75 or \$100. It was just a one-room log house, and I had a barn built.

Chairman WALSH. How long did it take you to build it?

Mr. STEWART. It took me to build it, I expect, about 10 days—to cut the logs and everything.

Chairman WALSH. The doctor gave you his bill and \$15 for your equity in this place?

Mr. STEWART. Yes, sir.

Chairman WALSH. That is, your equity in the whole 40 acres of land?

Mr. STEWART. Yes, sir.

Chairman WALSH. What did you agree to pay the railroad for it?

Mr. STEWART. \$5 an acre.

Chairman WALSH. \$200 for the whole thing?

Mr. STEWART. Yes.

Chairman WALSH. What was the amount of the doctor's bill?

Mr. STEWART. I disremember now what it was.

Chairman WALSH. What did it include in a general way? Had you been sick yourself?

Mr. STEWART. Yes, sir; and my wife had been sick.

Chairman WALSH. Was there a baby that year?

Mr. STEWART. Yes.

Chairman WALSH. I guess there was. When you went up 20 miles farther what did you have?

Mr. STEWART. We did not have anything but one horse and a cow.

Chairman WALSH. Did you have a wagon?

Mr. STEWART. No, sir; I didn't have no wagon.

Chairman WALSH. Just the horse?

Mr. STEWART. That is all.

Chairman WALSH. How did you get up those 20 miles?

Mr. STEWART. I got a team from that fellow I went to work for on his place.

Chairman WALSH. How much land did you undertake to farm up there?

Mr. STEWART. About 30 acres.

Chairman WALSH. How long did you stay there?

Mr. STEWART. I stayed there two years.

Chairman WALSH. You started in with nothing, except this horse?

Mr. STEWART. Yes.

Chairman WALSH. Where did you get the cow?

Mr. STEWART. My father-in-law gave her to us.

Chairman WALSH. Just for a present?

Mr. STEWART. Yes.

Chairman WALSH. Before you went on this place?

Mr. STEWART. Yes.

Chairman WALSH. Did you go in debt?

Mr. STEWART. Yes.

Chairman WALSH. For your groceries?

Mr. STEWART. Yes. I bought my groceries on time.

Chairman WALSH. Did you buy anything else on time?

Mr. STEWART. No, sir.

Chairman WALSH. When you bought your groceries, did you give a chattel mortgage on your crop?

Mr. STEWART. No, sir; my brother stood good for them; I was living on his mother-in-law's place.

Chairman WALSH. Your brother-in-law stood good for your groceries?

Mr. STEWART. Yes.

Chairman WALSH. How did you have the land that year?

Mr. STEWART. On a third and a fourth.

Chairman WALSH. How much cotton did you raise?

Mr. STEWART. I think we made 4 bales that year.

Chairman WALSH. Why did you run short that year? Was it a bad year?

Mr. STEWART. Yes, sir; it was a bad year and poor land.

Chairman WALSH. How much did you raise of corn?

Mr. STEWART. Not over 75 bushels.

Chairman WALSH. Did you run back that year?

Mr. STEWART. No, sir; I came out even that year.

Chairman WALSH. Where are you now? Where is the place you stayed on for two years?

Mr. STEWART. In Faulkner County, Ark.

Chairman WALSH. The same county you started in?

Mr. STEWART. Yes, sir.

Chairman WALSH. That was the county of your birth place?

Mr. STEWART. No, sir; I was born in White County.

Chairman WALSH. Now, how did you do the next year? You say you came out about even the first year?

Mr. STEWART. Well, I came out about even the next year.

Chairman WALSH. And did you get any better crop of cotton?

Mr. STEWART. I got 4 bales the next year.

Chairman WALSH. You got 4 the first?

Mr. STEWART. No, sir; 3, I believe it was, 3 or 4.

Chairman WALSH. But you did a little better the first year as far as the amount of cotton was concerned?

Mr. STEWART. Yes; it was a little better price.

Chairman WALSH. How much did you get a bale for the cotton?

Mr. STEWART. The second year there we got 4 cents.

Chairman WALSH. Four cents?

Commissioner LENNON. Four cents for the cotton?

Mr. STEWART. Yes.

Chairman WALSH. How much would you say—I will go back, because I did not cover that, and Mrs. Harriman asks me to ask the question—was the cotton in the lint or in the seed?

Mr. STEWART. In the lint. It sold for 4 cents.

Chairman WALSH. What was seed worth then?

Mr. STEWART. I think it is worth about five to six dollars a ton, maybe.



Chairman WALSH. I wish you would go back and begin right with the first year when you got 5 bales and tell us, as best you can remember, how much you got for your cotton altogether, the total. What did it sell for?

Mr. STEWART. I think it sold, as well as I can remember, I think it sold for about 8 or 9 cents the first year.

Chairman WALSH. And how much a bale, by the bale, would it be?

Mr. STEWART. They averaged about 500, the bales did.

Chairman WALSH. About 500 pounds to the bale?

Mr. STEWART. Yes, sir; about 500 pounds, I reckon, to the bale.

Chairman WALSH. Now, then, at the end of these two years you say your cotton sold down about four?

Mr. STEWART. Yes, sir.

Chairman WALSH. And you only had 4 bales that year; and how much corn?

Mr. STEWART. We made out 75 bushel.

Chairman WALSH. Now, you say you came out about even?

Mr. STEWART. Yes; that year.

Chairman WALSH. How about when you came out about even; what do you mean; that you did not have anything before, when you got twice as much for your cotton, now; does that mean that you had to live any scantier, in a scantier way?

Mr. STEWART. Yes, sir.

Chairman WALSH. Then, I wish you would describe just about how you lived during the years when you got 5 bales and got 8 cents a pound or 8½. Describe it in your own way, if you lived in the same condition, just about what you would get, about what your ordinary meal would be, and what would you get from the store, and what your bills would consist of, and what you would buy at the store.

Mr. STEWART. Just buy a little meat and bread.

Chairman WALSH. What kind of meat?

Mr. STEWART. Bulk pork; and coffee.

Chairman WALSH. And coffee?

Mr. STEWART. And a little flour.

Chairman WALSH. How about fresh meat?

Mr. STEWART. I didn't buy any fresh meat.

Chairman WALSH. Did you ever have any fresh meat at all?

Mr. STEWART. No.

Chairman WALSH. You say bread. Did you buy bread already made?

Mr. STEWART. Yes, sir; we bought flour; and I worked up at the mill there to help a fellow on Saturday to get some little meal in them years.

Chairman WALSH. You never had—how about vegetables; did you raise any?

Mr. STEWART. We raised some; yes, sir.

Chairman WALSH. And what kind did you raise; some potatoes?

Mr. STEWART. Yes, sir; raised some potatoes.

Chairman WALSH. Did you usually raise enough potatoes to keep you in potatoes for the year?

Mr. STEWART. No.

Chairman WALSH. Why not?

Mr. STEWART. We just could not raise—the drought or something, you know.

Chairman WALSH. But you tried to raise enough?

Mr. STEWART. Yes; sure.

Chairman WALSH. What other sorts of vegetables did you have?

Mr. STEWART. Cabbage, onions, and tomatoes.

Chairman WALSH. And did you try to raise enough to go around the year?

Mr. STEWART. Yes, sir; we tried to raise all we could.

Chairman WALSH. And you usually would have enough a part of the time so you would have these vegetables?

Mr. STEWART. We would have until up about July, and the drought would come and then the garden would be burned up. It was a droughty country, you know.

Chairman WALSH. Now, what did you have to pay for coffee?

Mr. STEWART. I think along in them times, as well as I remember, we got 5 or 6 pounds at a dollar.

Chairman WALSH. Five or 6 pounds for a dollar?

Mr. STEWART. I think so; as well as I remember.

Chairman WALSH. And sugar, what did you pay for that?

Mr. STEWART. I declare I don't remember just what it was. Maybe we got about 16 pounds of it.

Chairman WALSH. Now, about your clothing at that time. Where did you buy your clothing?

Mr. STEWART. We bought what we did buy there at Conway.

Chairman WALSH. At Conway?

Mr. STEWART. Yes.

Chairman WALSH. How often did you go to Conway—how far were you from Conway then?

Mr. STEWART. That was 18 miles.

Chairman WALSH. Eighteen miles?

Mr. STEWART. Yes.

Chairman WALSH. And how often did your wife get in to Conway?

Mr. STEWART. She never went at all.

Chairman WALSH. Who bought her stuff, for instance, her own clothing, and so on?

Mr. STEWART. I would whenever I would go.

Chairman WALSH. During the two years you were at this place did you wife ever go to a store?

Mr. STEWART. I think she went once to a little country store.

Chairman WALSH. Only once?

Mr. STEWART. Yes.

Chairman WALSH. And her clothing was purchased how?

Mr. STEWART. We bought them on credit, you know.

Chairman WALSH. But who did the actual buying; did you do it?

Mr. STEWART. Yes, sir.

Chairman WALSH. Did the children ever go to town?

Mr. STEWART. No, sir; not there. Not when we were there.

Chairman WALSH. Now, when you left—you are still in Faulkner County on a place for two years?

Mr. STEWART. Yes, sir. I came back then and lived with my wife's father one year.

Chairman WALSH. Did you farm that year?

Mr. STEWART. Yes, sir.

Chairman WALSH. Did you have a place?

Mr. STEWART. Yes, sir.

Chairman WALSH. How many acres did you farm?

Mr. STEWART. About 30 acres.

Chairman WALSH. How did you come out that year?

Mr. STEWART. I came out of debt, but I believe, maybe I lacked \$15, I think, I believe it was.

Chairman WALSH. And where did you go to from there?

Mr. STEWART. I went to my mother's place again.

Chairman WALSH. And how long did you work there?

Mr. STEWART. I worked there one year.

Chairman WALSH. Have you been a man of good habits? Do you drink much?

Mr. STEWART. No, sir.

Chairman WALSH. Drink any at all?

Mr. STEWART. I have taken a drink in days gone by.

Chairman WALSH. Was there any time when you kept liquor at your house?

Mr. STEWART. No, sir.

Chairman WALSH. Never did?

Mr. STEWART. No, sir.

Chairman WALSH. Were you ever what might be called a man that was addicted to drink, since you have been where you could get a drink?

Mr. STEWART. No, sir.

Chairman WALSH. How long did you stay on your mother's place at this time?

Mr. STEWART. I stayed there one year.

Chairman WALSH. How much did you farm there?

Mr. STEWART. About 30 acres.

Chairman WALSH. Do you remember what year that was when you got back to your mother's place?

Mr. STEWART. It was in 1899.

Chairman WALSH. 1899?

Mr. STEWART. Yes.

Chairman WALSH. And that is in what county?

Mr. STEWART. Faulkner.



Chairman WALSH. Arkansas?

Mr. STEWART. Yes, sir.

Chairman WALSH. And you stayed there one year?

Mr. STEWART. Yes.

Chairman WALSH. Now, what did you raise that year?

Mr. STEWART. We raised some corn and cotton, raised 5 bales of cotton and about 150 bushels of corn.

Chairman WALSH. How did you come out?

Mr. STEWART. I came out \$35 in debt.

Chairman WALSH. How old was this first boy when he went to work on the farm?

Mr. STEWART. Why, he was lacking about——

Mrs. STEWART. He was 7 years.

Chairman WALSH. How old are the children usually before you can utilize them on a farm for anything?

Mr. STEWART. I guess about 7 years old.

Chairman WALSH. And what is the first thing a child does at the age of 7?

Mr. STEWART. Generally picks cotton.

Mrs. STEWART. And drops corn. We were planting by hand then.

Chairman WALSH. Did your boy start to do that, your oldest boy, as soon as he was old enough?

Mr. STEWART. Yes, sir.

Chairman WALSH. Now, I am going to have you kind of skip through and tell what the school facilities are that the oldest boy had? Did he go to school any?

Mr. STEWART. He went to school some, but not very much.

Chairman WALSH. Do you know what reader he was in when he quit?

Mrs. STEWART. Second grade.

Chairman WALSH. How did he happen to quit?

Mrs. STEWART. We lived on the farm so far from the school that we couldn't get to it. We moved to Texas and lived on a rented place far from the school, and by the time we got to where we could send him to school he was so old he was ashamed to go, and we could never get him to go. He was 14 years old.

Chairman WALSH. How much schooling did that oldest boy have altogether, Mr. Stewart?

Mr. STEWART. I do not suppose he went over one year.

Mrs. STEWART. He never went over parts of three sessions.

Chairman WALSH. Parts of three sessions?

Mr. STEWART. Yes, sir.

Chairman WALSH. Did you ever have any ideas about that boy starting in, Mr. Stewart, as to what you would like to have the boy do, what business he should follow? Did you ever have any idea he should follow a profession, or anything of that kind?

Mr. STEWART. No; I would rather have him on a farm.

Chairman WALSH. It was your desire, then, that he should be a farmer?

Mr. STEWART. Yes; I think that is the happiest life if a man can get hooked up right.

Chairman WALSH. What was your ambition with respect to that boy—that he should own a farm of his own some day?

Mr. STEWART. Yes, sir.

Chairman WALSH. And you figured that if he could get in right—get to own land—it was an intelligent and free way for him to live?

Mr. STEWART. Yes, sir.

Chairman WALSH. And it was your desire that—that was all you knew; that had been your business and your father's business before you?

Mr. STEWART. Sure; yes.

Chairman WALSH. All your family as far back as you know anything about?

Mr. STEWART. Yes, sir; they were all farmers.

Chairman WALSH. Now, during all these years was there any public direction of any kind? Was there anybody from a university or from the school that came to the farmer to teach him improved methods of farming?

Mr. STEWART. No, sir; not in them times.

Chairman WALSH. Did you in all your life ever receive any suggestions or directions from any other place as to how you might improve your condition by raising better crops or more of what you did raise, or anything of that sort?

Mr. STEWART. Not until we got to Texas.

Chairman WALSH. Not until you got to Texas?

Mr. STEWART. No, sir.

Chairman WALSH. Now, then, after you left—how long were you on your mother's place at that time?

Mr. STEWART. I was there one year.

Chairman WALSH. You quit a little behind?

Mr. STEWART. Yes.

Chairman WALSH. Where did you go to from there?

Mr. STEWART. I went about 2 miles from there.

Chairman WALSH. In the same county?

Mr. STEWART. Yes.

Chairman WALSH. And you rented again?

Mr. STEWART. Yes.

Chairman WALSH. Did you always have a verbal contract with all of these folks?

Mr. STEWART. Yes.

Chairman WALSH. Never had a written contract?

Mr. STEWART. Never did; no.

Chairman WALSH. There was an established custom, was there, every place you went?

Mr. STEWART. Yes.

Chairman WALSH. That is, as to the terms of the contract—what you should do and what the landlord should do?

Mr. STEWART. Yes.

Chairman WALSH. And also there was a general custom about the crops?

Mr. STEWART. Yes.

Chairman WALSH. How long did you stay on this place that you went to after you left your mother's?

Mr. STEWART. I stayed there one year.

Chairman WALSH. And what did you raise there?

Mr. STEWART. Corn and cotton

Chairman WALSH. How much—do you remember? What sort of a crop did you have that year?

Mr. STEWART. I had a good crop that year for a one-horse man. I made 8 bales of cotton and about between 200 and 300 bushels of corn.

Chairman WALSH. How was cotton selling that year—do you remember?

Mr. STEWART. It was selling at 10 cents in 1900.

Chairman WALSH. That, comparatively, must have been a good year?

Mr. STEWART. Yes.

Chairman WALSH. How did you come out that year?

Mr. STEWART. I came out about \$200 to the good that year.

Chairman WALSH. About \$200 to the good?

Mr. STEWART. Yes, sir.

Chairman WALSH. Now, that year, as you made more money, did your expenses increase any?

Mr. STEWART. No, sir; they did not.

Chairman WALSH. You kept it right down to buying some things at the store?

Mr. STEWART. Sure.

Chairman WALSH. And you were clothed the same and your children were clothed the same and all?

Mr. STEWART. Yes, sir.

Chairman WALSH. You came out with \$200 in cash?

Mr. STEWART. Yes.

Chairman WALSH. What did you do next?

Mr. STEWART. Well, I bought here a little place from a fellow. I bought a railroad forty, and then I bought another 40 from an individual.

Chairman WALSH. You bought 80 acres of land that year that you had the \$200?

Mr. STEWART. Yes.

Chairman WALSH. And then that 40 that you bought from the railroad, was it wooded land?

Mr. STEWART. Yes, sir; in the woods.

Chairman WALSH. What was your personal desire about this matter? Did you want to continue to be a renter or did you want to be a farm owner?

Mr. STEWART. I wanted to own my place.

Chairman WALSH. You wanted to own a place?

Mr. STEWART. Yes.

Chairman WALSH. And you desired to get a place large enough, if you could, so that your children could stay there on it?



Mr. STEWART. Yes; sure.

Chairman WALSH. Now, then, please just give us the result of that. You bought 40 acres from the railroad?

Mr. STEWART. Yes, sir.

Chairman WALSH. And what did you do about the other 40?

Mr. STEWART. I bought that from an individual.

Chairman WALSH. Was it adjoining?

Mr. STEWART. Yes.

Chairman WALSH. What did you have to pay down on it?

Mr. STEWART. I paid the individual \$50 and I paid the railroad company \$35.

Chairman WALSH. And was there any house on it?

Mr. STEWART. There was on that I bought of the individual. It was improved; yes, sir.

Chairman WALSH. What was on that?

Mr. STEWART. A house and barn and well, about 20 acres of land cleared.

Chairman WALSH. About 3 cleared?

Mr. STEWART. About 20.

Chairman WALSH. About 20 acres cleared?

Mr. STEWART. Yes.

Chairman WALSH. And was any of the railroad land cleared?

Mr. STEWART. No, sir.

Chairman WALSH. That was original land?

Mr. STEWART. Yes.

Chairman WALSH. And had the man you bought this from cropped on it?

Mr. STEWART. Yes.

Chairman WALSH. What sort of land was it?

Mr. STEWART. Why, it was hill land, what you call hill land, you know, in Arkansas, upland.

Chairman WALSH. Was it pretty fair land for cotton?

Mr. STEWART. Yes; it was pretty fair land for that country; yes, sir.

Chairman WALSH. How long did you stay on that place?

Mr. STEWART. I stayed there two years.

Chairman WALSH. I wish you would describe your experience on that place. Did you have to go in debt when you started there?

Mr. STEWART. Yes; I did. That is when I lost my children, you know, when that taken my money in that winter, too.

Chairman WALSH. Oh, yes; you paid out \$85?

Mr. STEWART. Yes.

Chairman WALSH. And if you had not had this misfortune you would have had \$115 or something like that to start on?

Mr. STEWART. Yes.

Chairman WALSH. And did you lose two children that same year?

Mr. STEWART. Yes; that same year.

Chairman WALSH. And in a general way what were the expenses of that misfortune—that is, what you had to pay the doctor for attending in their last illness and the funeral, and so on?

Mr. STEWART. Of, course, my wife had erysipelas during the time, and it cost about \$100.

Chairman WALSH. It cleaned out what you had on hand?

Mr. STEWART. Yes, sir; cleaned me out.

Chairman WALSH. All this had occurred when you were on this 80?

Mr. STEWART. Yes, sir.

Chairman WALSH. Both in one year?

Mr. STEWART. Yes.

Chairman WALSH. Then your wife had erysipelas in that year?

Mr. STEWART. Yes.

Chairman WALSH. You mentioned several times about yourself being ill, Mr. Stewart. What was wrong with you, without going into details, if it is not any private matter, or if in any of these questions there is anything that you deem to be particularly private, you do not have to answer, you understand that?

Mr. STEWART. I never had anything except chills and fever.

Chairman WALSH. That is typical of the country, folks there have chills and fever?

Mr. STEWART. Yes.

Chairman WALSH. Did your wife ever have them?

Mr. STEWART. She had a few.

Chairman WALSH. Didn't it ever occur to you that you could go to a country where there wouldn't be any chills and fever?

Mr. STEWART. Yes, sir.

Chairman WALSH. Why didn't you go?

Mr. STEWART. Well, I thought when I got to Texas I would be.

Chairman WALSH. You had that in mind all the time then, did you?

Mr. STEWART. Yes; sure.

Chairman WALSH. I wish you would just briefly describe your two years on this place. First, how far were you from town?

Mr. STEWART. We were about 15 miles from that Conway town.

Chairman WALSH. From Conway?

Mr. STEWART. Yes.

Chairman WALSH. Was there any other smaller town close to you?

Mr. STEWART. Yes; there was one store about a mile, a little railroad, a little bit of a railroad town, about a couple of stores about 6 miles.

Chairman WALSH. Where did you do your trading?

Mr. STEWART. Conway.

Chairman WALSH. And did you trade with the same man in Conway all the time through all these years, or did you change?

Mr. STEWART. No; I did not trade all the time with that one. That first one went out of business.

Chairman WALSH. And then you went to another one?

Mr. STEWART. Yes.

Chairman WALSH. During all these times did you ever give any chattel mortgage to store keepers?

Mr. STEWART. Yes; I gave—yes; I gave two or three, I reckon, during that time.

Chairman WALSH. When you gave a chattel mortgage, did you pay interest on it?

Mr. STEWART. Sir?

Chairman WALSH. When you gave chattel mortgages, did you pay interest on them?

Mr. STEWART. Yes, sir.

Chairman WALSH. And did you give notes?

Mr. STEWART. Yes, sir; a note and mortgage.

Chairman WALSH. A note and mortgage?

Mr. STEWART. Yes.

Chairman WALSH. Did they charge anything for filing them?

Mr. STEWART. Yes.

Chairman WALSH. Do you remember how much it was?

Mr. STEWART. A dollar, I think, there.

Chairman WALSH. What interest did they charge when you gave the note and the chattel mortgage for supplies?

Mr. STEWART. They claimed they sold at credit price, charged 10 per cent interest.

Chairman WALSH. That is what they charged you?

Mr. STEWART. That is what they claimed.

Mr. NOBLE. He means by 10 cent, they added 10 per cent.

Chairman WALSH. Well, on the debt?

Mr. STEWART. Yes.

Chairman WALSH. Did you observe there any time when you paid cash during all these years at Conway there was any difference?

Mr. STEWART. Yes, sir; there was some time I paid cash.

Chairman WALSH. When you paid cash, did you notice any difference in the price?

Mr. STEWART. Yes.

Chairman WALSH. Could you say about what it was? For instance, give us an idea if you bought a side of meat for cash, what did you pay for it?

Mr. STEWART. I don't remember much about the meat, but I remember the corn. You could buy corn for 6 bits a bushel cash and pay a dollar and a dollar and a quarter on time.

Chairman WALSH. Do you remember about other supplies, such as flour?

Mr. STEWART. Well, as I remember there is about \$2 higher on the bushel.

Chairman WALSH. About \$2 higher on the bushel?

Mr. STEWART. Yes.

Chairman WALSH. What kind of meat did you buy? You say bulk pork?



Mr. STEWART. Yes, sir.

Chairman WALSH. Is that what you call dry salt clear sides?

Mr. STEWART. Yes, sir.

Chairman WALSH. During the two years that you were on that 80 that you owned yourself, that you yourself bought, how often did your wife go to town to shop, or to Conway?

Mr. STEWART. She never went nary a time. Yes; she went once to the doctor, and did a little trading.

Chairman WALSH. Went where?

Mr. STEWART. Went to the doctor and did a little trading.

Chairman WALSH. When you went to the doctor?

Mr. STEWART. Carried her to the doctor.

Chairman WALSH. Carried your wife to the doctor?

Mr. STEWART. Yes.

Chairman WALSH. And at the other times you did the trading yourself, did you?

Mr. STEWART. Yes.

Chairman WALSH. You bought her clothing?

Mr. STEWART. Yes.

Chairman WALSH. What was the result of your two years' operations there yourself? Did you clear any of your land of the 40 in the two years?

Mr. STEWART. Yes, sir; I cleared about 10 acres.

Chairman WALSH. What sort of crop did you have the first year?

Mr. STEWART. I had a very good crop the first year. I made about 8 bales of cotton, I think, and about 100 bushels of corn. That was a dry year.

Chairman WALSH. And did you quit that year with anything ahead?

Mr. STEWART. No, sir.

Chairman WALSH. What was cotton selling for that year?

Mr. STEWART. I think 7 to 9 cents.

Chairman WALSH. How did it happen you did not get something ahead? I notice you have a bale more of cotton than you had in your best years.

Mr. STEWART. We just owed a little more.

Mrs. STEWART. That is the year we lost the two children.

Mr. STEWART. That was the bad luck——

Chairman WALSH. That you had the sickness?

Mr. STEWART. I had something cleared up and paid out for them.

Chairman WALSH. How did you come out that year; the first year that you say you come out even or behind?

Mr. STEWART. The first year we came out about even, that year.

Chairman WALSH. What was your experience then, the second year?

Mr. STEWART. We came out about—by selling our team we had \$37, I think, left.

Chairman WALSH. You had to sell your team?

Mr. STEWART. Yes, sir.

Chairman WALSH. What became of the land—your equity in the land?

Mr. STEWART. I let the man have the farm back; the individual that I paid to him the \$50; he got the land back and I sold the claim to another—the railroad claim to another man.

Chairman WALSH. What did you sell the railroad claim for, do you remember?

Mr. STEWART. I declare I don't remember. I don't believe I do just remember just what.

Mr. NOBLE. Let it go on the grocery bill.

Chairman WALSH. When you got through there how much did you have, did you say?

Mr. STEWART. I think we had \$37 to come to Texas on.

Chairman WALSH. To come to Texas on?

Mr. STEWART. Yes.

Chairman WALSH. That is the time that you moved to Texas?

Mr. STEWART. Yes, sir.

Chairman WALSH. Why did you move to Texas, Mr. Stewart?

Mr. STEWART. I thought we could better our condition.

Chairman WALSH. And where did you go in Texas?

Mr. STEWART. Lamar County.

Chairman WALSH. How did you happen to come to that particular place; had anybody told you about it?

Mr. STEWART. Yes, sir; I had a brother-in-law there and he had been writing to me about that country.

Chairman WALSH. What is the county seat of Lamar?

Mr. STEWART. Paris.

Chairman WALSH. Did you move on the black or sandy land?

Mr. STEWART. Black land the first year.

Chairman WALSH. Who was your landlord?

Mr. STEWART. Mr. Gilbert.

Chairman WALSH. Mr. Gilbert?

Mr. STEWART. Yes.

Chairman WALSH. How much land did you undertake to farm there?

Mr. STEWART. About 50 acres.

Chairman WALSH. About 50 acres?

Mr. STEWART. Yes, sir.

Chairman WALSH. And what sort of land was it?

Mr. STEWART. Black land.

Chairman WALSH. Is that good land for that purpose?

Mr. STEWART. It was good land.

Chairman WALSH. Good land?

Mr. STEWART. Yes.

Chairman WALSH. Now, how did you start in there? Did you spend the \$37 coming there?

Mr. STEWART. Yes, sir.

Chairman WALSH. How many children did you have then, Mr. Stewart? Do you remember, Mrs. Stewart?

Mrs. STEWART. Had four. Had four boys up there—John, Egbert, Roy, and Vernon.

Chairman WALSH. Had four?

Mr. STEWART. Yes.

Chairman WALSH. Now, when you started out, how many children did you have who gave you any assistance on any of the places?

Mr. STEWART. When I came to Texas?

Chairman WALSH. When you came to Texas; yes.

Mrs. STEWART. Two.

Mr. STEWART. The others; he done some cotton picking and hoed some.

Chairman WALSH. You say you took 50 acres?

Mr. STEWART. Yes.

Chairman WALSH. And what did you do it on, three and four?

Mr. STEWART. Halves; worked that on halves?

Chairman WALSH. Worked that on halves?

Mr. STEWART. Yes.

Chairman WALSH. Now, you had never had that kind of contract before?

Mr. STEWART. No, sir.

Chairman WALSH. Had you?

Mr. STEWART. No, sir.

Chairman WALSH. I wish you would just describe here what sort of a contract you made, if you can do it verbally. I wish you would say what you said to the man you made the contract with and what he said to you. This is an entirely new arrangement so far as you are concerned, is it not?

Mr. STEWART. Yes.

Chairman WALSH. Just tell us.

Mr. STEWART. He was to furnish the stock and the feed.

Chairman WALSH. Did you go and see him?

Mr. STEWART. And the land; yes.

Chairman WALSH. How did you get to Lamar?

Mr. STEWART. Sir?

Chairman WALSH. How did you come?

Mr. STEWART. I came on the train.

Chairman WALSH. You came on the train?

Mr. STEWART. Yes.

Chairman WALSH. Paid your fare up and your family's?

Mr. STEWART. Yes.

Chairman WALSH. Then you went to see this man, did you?

Mr. STEWART. My brother-in-law had it rented, and spoke for it, and then I went to close the deal.

Chairman WALSH. All right. Just tell us what the deal was, what you said to him, and what he said to you.



Mr. STEWART. He was to furnish the stock and the ground and feed them, and I was to work the land and give him half.

Chairman WALSH. How much stock was he to furnish?

Mr. STEWART. One pair of mules.

Chairman WALSH. Anything else?

Mr. STEWART. And tools, you know; and mules and tools and feed and a cultivator.

Chairman WALSH. Anything else?

Mr. STEWART. No, sir; he was not to furnish anything else.

Chairman WALSH. I was going to ask you, during that time, now, after you left Conway for Texas, did you usually have a cow?

Mr. STEWART. Yes, sir.

Chairman WALSH. During all the time did you have one?

Mr. STEWART. Yes; we had a cow.

Chairman WALSH. And starting in in Texas, you started with a cow?

Mr. STEWART. Yes, sir; I had one to milk from that man, and in the summer we bought it. He let us have one to milk.

Chairman WALSH. Do you usually own a cow, and did you when you were in Arkansas?

Mr. STEWART. Yes.

Chairman WALSH. Did you have more than one at any time?

Mr. STEWART. Yes, sir; we have two; yes, sir.

Chairman WALSH. What would you say a cow is worth?

Mr. STEWART. In Arkansas?

Chairman WALSH. Yes; in Arkansas.

Mr. STEWART. Well, they were worth about \$30—\$25 to \$30.

Chairman WALSH. And this gentleman furnished you the cow when you came to Lamar?

Mr. STEWART. Yes, sir; he loaned us a cow for a while, and then we bought the cow.

Chairman WALSH. The following summer?

Mr. STEWART. Yes.

Chairman WALSH. What time did you go on that place, what time of year?

Mr. STEWART. It was in January, about the 5th of January.

Chairman WALSH. And how long did you stay on that place?

Mr. STEWART. We stayed there until the next January.

Chairman WALSH. Now, how much cotton did you raise?

Mr. STEWART. Five bales.

Chairman WALSH. How much corn?

Mr. STEWART. We raised about 100 bushels.

Chairman WALSH. When you went on there did you have any agreement with the landlord as to what you were to raise?

Mr. STEWART. Yes.

Chairman WALSH. What did he say about that?

Mr. STEWART. He wanted 5 or 6 acres of corn and the balance in cotton.

Chairman WALSH. What did you think about it?

Mr. STEWART. I thought that was pretty tough, but that is the best I could do.

Chairman WALSH. How did you think it ought to be? How would you have done it if the landlord had left it to yourself?

Mr. STEWART. Half in corn.

Chairman WALSH. Why would you have done that?

Mr. STEWART. I would have thought it would have been better, you know. It is not so much work to it to cultivate corn, and a man can have hogs, you know, and have some meat.

Chairman WALSH. You would have divided it up half and half if it had been left to you?

Mr. STEWART. Yes.

Chairman WALSH. Did you do it exactly the way the landlord directed you to do it or did you have some discussion with him?

Mr. STEWART. I did it just exactly like he said it.

Chairman WALSH. Why didn't you tell him you would rather have half of it in corn, the advantages of it that you might raise meat, and so on?

Mr. STEWART. He was the man, and whenever he told you anything there was no argument to make on it about that place. I had to have the place. We was here—I was here with my family, and if I did not want it the other fellow did, you know.

Chairman WALSH. How long did you say you stayed on that place?

Mr. STEWART. One year.

Chairman WALSH. And you raised 5 bales of cotton?

Mr. STEWART. Yes.

Chairman WALSH. How far were you from Paris; was that your trading point?

Mr. STEWART. Yes; Paris was the trading place.

Chairman WALSH. Was that your trading point?

Mr. STEWART. Yes.

Chairman WALSH. How far were you from there?

Mr. STEWART. We were 7 miles.

Chairman WALSH. And did you have to make an agreement or did you make an agreement with the storekeeper to furnish your supply?

Mr. STEWART. Yes; I gave him a mortgage on my half of the crop that year.

Chairman WALSH. What interest did you pay?

Mr. STEWART. He sold the goods and claimed 10 per cent, like I told you.

Chairman WALSH. You paid 10 per cent on the note?

Mr. STEWART. Sure.

Chairman WALSH. Then how did you find the prices there as compared to how they were in Arkansas?

Mr. STEWART. They was pretty high, a little higher.

Chairman WALSH. Were they a little higher?

Mr. STEWART. Yes.

Chairman WALSH. And did they have a cash price and a credit price?

Mr. STEWART. Yes.

Chairman WALSH. At this point we will take a recess until 2 o'clock. I will ask you to come back again, Mr. Stewart, at 2 o'clock promptly. Please be here at that time.

(At 12.30, Wednesday, March 17, 1915, a recess was taken until 2 o'clock of the same day at the same place.)

#### AFTER RECESS.

Chairman WALSH. If the house will be in order, we will proceed. Please resume the stand, Mr. Stewart.

When we adjourned, Mr. Stewart, I believe I was just about to ask you to describe your first two years of experience in Texas. How did you come out the first year?

Mr. STEWART. Well, I came out just about even the first year.

Chairman WALSH. Now, then, the next year.

Mr. STEWART. Well, I came out just about even the next year; but I moved. You understand.

Chairman WALSH. Why did you move?

Mr. STEWART. Well, I thought I could better my condition. A fellow had a sandy land place about 3 miles from there. He said if I would go over there and cultivate that, and there was fruit there, and there was good sandy land, and I could raise anything I wanted, and he put some stock there, and I could raise it on halves.

Chairman WALSH. Not the same owner?

Mr. STEWART. No, sir.

Chairman WALSH. A different owner?

Mr. STEWART. Yes, sir.

Chairman WALSH. What year was it you came to Texas?

Mr. STEWART. 1903.

Chairman WALSH. That brings you to 1905; and in 1905 you went where?

Mr. STEWART. I was there with that man—I stayed with him two years. I went with him in 1904 and stayed with him two years.

Chairman WALSH. That took you to 1906?

Mr. STEWART. Yes.

Chairman WALSH. What is his name?

Mr. STEWART. Joe Sisson.

Chairman WALSH. What county was that?

Mr. STEWART. Lamar County.

Chairman WALSH. How long did you stay on that place?

Mr. STEWART. Two years.



Chairman WALSH. How many acres were there?

Mr. STEWART. We cultivated about 45 acres.

Chairman WALSH. And when you started in, what did you have, if anything?

Mr. STEWART. I did not have anything but one cow.

Chairman WALSH. And when you started in you didn't have anything but one cow?

Mr. STEWART. No, sir.

Chairman WALSH. Did you go in debt?

Mr. STEWART. Yes; I went in debt.

Chairman WALSH. How did you secure your indebtedness?

Mr. STEWART. He furnished me what I had to have, and I cut cordwood and stove wood.

Chairman WALSH. You did not give mortgages or notes on anything?

Mr. STEWART. No, sir; not any mortgages.

Chairman WALSH. What were your experiences the two years you were with Sisson?

Mr. STEWART. In the two years I made 11 bales of cotton and about 200—no, about 100 bushels of corn—the last year, and raised about 400 bushels the first year.

Chairman WALSH. How did you come out the first year?

Mr. STEWART. I came out about even.

Chairman WALSH. And the second year?

Mr. STEWART. I came out in the hole.

Chairman WALSH. How far behind were you?

Mr. STEWART. I was somewhere near \$200 in the hole.

Chairman WALSH. Now, what caused that?

Mr. STEWART. Well, the land was wet. And it did not dry out, you know—we had floods and sickness.

Chairman WALSH. What kind of a house did you have to live in there?

Mr. STEWART. Didn't have much of a house.

Chairman WALSH. Describe it.

Mr. STEWART. It was a two-room house; box house, two 16-foot rooms, and a hall between and to one side a room, and a porch in front.

Chairman WALSH. There were three rooms?

Mr. STEWART. Yes.

Chairman WALSH. How many children did you have then? That brings you down to 1906—do you remember?

Mr. STEWART. We had five—we had four when we moved there the first year, and the second year when we left we had five children—one girl and four boys.

Chairman WALSH. When you left there, where did you go?

Mr. STEWART. I went 4 miles southwest of Paris.

Chairman WALSH. Same county?

Mr. STEWART. Yes.

Chairman WALSH. What did you rent then?

Mr. STEWART. Rented black land.

Chairman WALSH. How much?

Mr. STEWART. I rented about 55 acres.

Chairman WALSH. You say you came out about \$200 in the hole?

Mr. STEWART. Yes.

Chairman WALSH. And you owed the money to Mr. Sisson?

Mr. STEWART. No, sir; I owed some doctor bills and some fellows that went my security for things while I was making the crop on his place.

Chairman WALSH. Did you break even with Mr. Sisson?

Mr. STEWART. I broke even with Mr. Sisson.

Chairman WALSH. And your indebtedness of \$200 consisted of what?

Mr. STEWART. Doctor bills, and then for a note at the bank for supplies.

Chairman WALSH. Did you spend any of your money for patent medicines during this time?

Mr. STEWART. No, sir; I didn't spend any money for patent medicines.

Chairman WALSH. All the medical attention you got was through regular physicians?

Mr. STEWART. Yes; through regular physicians.

Chairman WALSH. And they supplied you with medicines or gave you prescriptions?

Mr. STEWART. Yes.

Chairman WALSH. How far was Sisson's place from town?

Mr. STEWART. About 12 miles from Paris.

Chairman WALSH. Who did you trade with at that time; did your wife come to town?

Mr. STEWART. No, sir. Hardly ever.

Chairman WALSH. How frequently was she in town during that time?

Mr. STEWART. Once, I think.

Mrs. STEWART. I went to town twice in that two years.

Chairman WALSH. You bought the clothing for the children?

Mr. STEWART. I did; what was bought, except the times she went.

Chairman WALSH. When you left Sisson's place, where did you go?

Mr. STEWART. Four miles southwest of Paris, on Jim Donegan's place.

Chairman WALSH. When was that, in the spring of 1906?

Mr. STEWART. Yes.

Chairman WALSH. How long did you stay on Jim Donegan's place?

Mr. STEWART. One year.

Chairman WALSH. What did you make there?

Mr. STEWART. Five acres of corn and about 50 acres of cotton.

Chairman WALSH. How did you come out that year?

Mr. STEWART. About \$200 to the good.

Chairman WALSH. You made about \$200?

Mr. STEWART. Yes.

Chairman WALSH. Why didn't you stay there?

Mr. STEWART. Well, he wanted me to—the house was not very good. We got our house burned up and the house was not very good; and it was down among the niggers, and no school nor nothing, and no convenience, and he would not fix anything, and I didn't stay.

Chairman WALSH. Where did you go?

Mr. STEWART. I went to High town.

Chairman WALSH. Where is High town?

Mr. STEWART. Thirteen miles this side of Paris, on the T. P.

Chairman WALSH. In what county; in the same county?

Mr. STEWART. Yes.

Chairman WALSH. What did you do there?

Mr. STEWART. Farmed on M. T. Drummond's place.

Chairman WALSH. How long did you stay on Drummond's place?

Mr. STEWART. Two years.

Chairman WALSH. How much land did you have here on Drummond's place?

Mr. STEWART. One hundred acres.

Chairman WALSH. How many tenants were there on that place?

Mr. STEWART. Just myself.

Chairman WALSH. How much did you have? Did you have the whole hundred acres?

Mr. STEWART. Yes; I had the whole hundred acres.

Chairman WALSH. What did you raise?

Mr. STEWART. Twenty-five acres of corn and 75 acres of cotton.

Chairman WALSH. How many bushels of corn did you get out of it?

Mr. STEWART. I got out of it about 750 bushels.

Chairman WALSH. How much cotton did you raise?

Mr. STEWART. Thirty-four bales.

Chairman WALSH. How much did you get out of it? How did you come out the first year?

Mr. STEWART. We came out just about even.

Chairman WALSH. What was the cause of that?

Mr. STEWART. Well, there was just the high price of everything; and cotton went down low and trade was bad, and the wet fall.

Chairman WALSH. When you started in, did you go in debt again?

Mr. STEWART. Yes.

Chairman WALSH. What were the terms of your indebtedness? How did you get your provisions?

Mr. STEWART. I got the man at High town; I gave him a little mortgage on my cotton and corn.

Chairman WALSH. Who was this man?

Mr. STEWART. D. A. Coleman.

Chairman WALSH. The storekeeper at High?

Mr. STEWART. Yes.

Chairman WALSH. Did you pay interest on the mortgage?

Mr. STEWART. Yes.

Chairman WALSH. How about the price of your provisions?



Mr. STEWART. They came pretty high.

Chairman WALSH. Did they come higher than if you had paid cash for them?

Mr. STEWART. Oh, yes.

Chairman WALSH. What did you do the next year?

Mr. STEWART. Stayed on that same place.

Chairman WALSH. On Drummond's place?

Mr. STEWART. Yes.

Chairman WALSH. What did you raise the next year?

Mr. STEWART. The same thing.

Chairman WALSH. Twenty-five acres of corn and 75 acres of cotton?

Mr. STEWART. Yes.

Chairman WALSH. What price did you get for your cotton? Was it any better the next year?

Mr. STEWART. No, sir; it was not hardly as good.

Chairman WALSH. How did you come out?

Mr. STEWART. I came out about even that year.

Chairman WALSH. To whom did you sell the cotton?

Mr. STEWART. Sir?

Chairman WALSH. To whom did you sell the cotton when you were on Drummond's place?

Mr. STEWART. To MacBeth, at High, and I think a little to a fellow by the name of Bays.

Mr. HOLMAN. Were they merchant or cotton buyers?

Mr. STEWART. Cotton buyers.

Mr. HOLMAN. What kind of cotton was that—middling?

Mr. STEWART. Yes; I suppose it was middling.

Chairman WALSH. Did they grade it for you?

Mr. STEWART. Yes.

Mr. HOLMAN. They told you the grade?

Mr. STEWART. Yes.

Mr. HOLMAN. You do not know much about grading cotton?

Mr. STEWART. No, sir; I don't know much about it.

Chairman WALSH. Did you sell your own cotton all the time you were in Texas?

Mr. STEWART. I did, except the time I was an Donegan's place; he sold the cotton.

Chairman WALSH. After you left Drummond's—you went there in 1907, and that would take you up to 1909; you were there two years, were you?

Mr. STEWART. Yes.

Chairman WALSH. Where did you go from there?

Mr. STEWART. I went to Ed Kimball's place at Brockton, about 3 miles away.

Chairman WALSH. How long did you stay there?

Mr. STEWART. One year.

Chairman WALSH. How many acres did you farm there?

Mr. STEWART. About 25 acres.

Chairman WALSH. Why did you come to leave Drummond's?

Mr. STEWART. This man Kimball had some tools and teams he wanted to sell and move to town, and I bought them and his tools and worked on a third and a fourth.

Chairman WALSH. How much land did you have there?

Mr. STEWART. One hundred and twenty-five acres.

Chairman WALSH. You were on halves with Drummond's?

Mr. STEWART. Yes, sir; on halves with Drummond's.

Chairman WALSH. Then you went with the next man on a third and a fourth?

Mr. STEWART. Yes, sir; I bought his teams and tools.

Chairman WALSH. How long did you stay there?

Mr. STEWART. One year. Then he sold out the place.

Chairman WALSH. How did you do the year you stayed there?

Mr. STEWART. We made 48 bales of cotton and a thousand bushels of corn.

Chairman WALSH. Now, how did you come out in a money way the year you were there?

Mr. STEWART. Well, we broke about even, paying for my teams.

Chairman WALSH. You paid for the teams, did you?

Mr. STEWART. Yes.

Chairman WALSH. When you got through he sold out the place?

Mr. STEWART. Yes.

Chairman WALSH. What did you have in the way of property, then?

Mr. STEWART. I had them mules and plow tools and two wagons I bought from him.

Chairman WALSH. Anything else?

Mr. STEWART. And the corn, you know; I didn't have any money.

Chairman WALSH. About how much corn did you have?

Mr. STEWART. I have—I had about seven or eight hundred bushels when we left there. We figured we raised about a thousand bushels.

Chairman WALSH. What was corn worth then?

Mr. STEWART. Sixty-five cents.

Chairman WALSH. That was the best year you ever had in your farming operations?

Mr. STEWART. Yes.

Chairman WALSH. What was your team worth—what were your teams worth?

Mr. STEWART. I gave him \$750 for the outfit.

Chairman WALSH. Was it worth that, do you think?

Mr. STEWART. No, sir; it was not worth that.

Chairman WALSH. What do you think it was worth?

Mr. STEWART. It was worth about \$600.

Chairman WALSH. It was worth \$600?

Mr. STEWART. Yes.

Chairman WALSH. Then you had \$400 worth of corn, and more, didn't you?

Mr. STEWART. Yes.

Chairman WALSH. So that year, why, you made about \$1,000?

Mr. STEWART. Yes.

Chairman WALSH. Now, would you have stayed there if he had not sold out?

Mr. STEWART. Yes; I guess I would; he said I could.

Chairman WALSH. Did you have any quarrels with any of these landlords, say, after you came to Texas? Were your personal relations with them friendly when you left them?

Mr. STEWART. Me and the preacher, Sisson, had a little round. That is all.

Chairman WALSH. He is the only one?

Mr. STEWART. Yes.

Chairman WALSH. How long were you on Sisson's place?

Mr. STEWART. Two years.

Chairman WALSH. What was your trouble about?

Mr. STEWART. That was about some land clearing. We cleared the land, and it overflowed and didn't get cultivated, and he didn't want to pay us for clearing it, because it didn't make him anything.

Chairman WALSH. How much was the clearing worth, did you claim?

Mr. STEWART. It was worth \$8 an acre, but I did it for \$4 an acre.

Chairman WALSH. How many acres?

Mr. STEWART. About 8 acres of it.

Chairman WALSH. How did you settle your controversy?

Mr. STEWART. We just let it go.

Chairman WALSH. He allowed you for it, did he?

Mr. STEWART. No, sir; he didn't allow us for it. And I just left.

Chairman WALSH. You claim that you were not paid for the acreage you cleared at all?

Mr. STEWART. Sure I was not.

Chairman WALSH. Why didn't you insist upon your right? Why didn't you sue him?

Mr. STEWART. I did insist on my rights, but I was a stranger here then, and I didn't have any money or anybody to go my bond, and no friends, and I couldn't do anything.

Chairman WALSH. Did you talk to a lawyer about it?

Mr. STEWART. No, sir; I didn't. I thought I would let it go.

Chairman WALSH. Why didn't you consult a lawyer about it.

Mr. STEWART. Because I didn't have the money.

Chairman WALSH. How long did it take you to do the clearing you claim you were not paid for?

Mr. STEWART. Off and on all winter. We didn't work steady at it all the time, but we put in all the time that we could not plow.

Chairman WALSH. Now, then, after you closed out on this place, where you had the corn, which left you with the corn and teams, where did you go?



Mr. STEWART. I went with Mr. Smiley.

Chairman WALSH. Where is he?

Mr. STEWART. At High.

Chairman WALSH. How long did you stay with Smiley?

Mr. STEWART. We made four crops.

Chairman WALSH. Four years?

Mr. STEWART. Three years on one place, and then we moved on another place, but it was his place, too.

Chairman WALSH. When you began with Smiley, how much land did you take?

Mr. STEWART. One hundred and twenty acres.

Chairman WALSH. You started in with your team?

Mr. STEWART. Yes.

Chairman WALSH. And the corn that you had, what did you do with it?

Mr. STEWART. Sold some of it.

Chairman WALSH. What did you do with the rest of it?

Mr. STEWART. Sir?

Chairman WALSH. Did you have some of it when you started with Smiley?

Mr. STEWART. Yes, sir.

Chairman WALSH. How did you come out the first year at Smiley's?

Mr. STEWART. I didn't come out; I made a good crop. But he had a son-in-law, and the son-in-law had a store, and they had about all of it booked up.

Chairman WALSH. How many bales of cotton did you raise?

Mr. STEWART. We made 52 that year.

Chairman WALSH. And how many bushels of corn?

Mr. STEWART. We made about seven or eight hundred bushels of corn.

Chairman WALSH. How far were you from High?

Mr. STEWART. About a mile.

Chairman WALSH. You were right close to town?

Mr. STEWART. Yes.

Chairman WALSH. What kind of land did you have?

Mr. STEWART. Black land.

Chairman WALSH. Good farming land?

Mr. STEWART. Yes.

Chairman WALSH. Was good farming land?

Mr. STEWART. Yes, sir.

Chairman WALSH. That is the closest you have been to town, is it not, at any time?

Mr. STEWART. No. When I was on Mr. Drummond's there I was that close.

Chairman WALSH. Only just a mile from town?

Mr. STEWART. Yes.

Chairman WALSH. How were the school facilities there?

Mr. STEWART. There was not any that amounted to anything. It was a mile and a half through the black mud—what little school there was.

Chairman WALSH. Did any of your children go to school there, when you left there?

Mr. STEWART. No, sir.

Chairman WALSH. Why not?

Mr. STEWART. It was just too muddy to go—to send them.

Chairman WALSH. Well, now, how did you come out the first year at Smiley's—I mean financially?

Mr. STEWART. I came out about even.

Chairman WALSH. What was cotton selling at that year?

Mr. STEWART. It was selling from 12 to 15 cents.

Chairman WALSH. Did you have any sickness or anything of that kind that year?

Mr. STEWART. No, sir; not anything to amount to anything.

Chairman WALSH. I wish you would explain what you mean by the store charging it up in accounts.

Mr. STEWART. Well, you see, I traded there. There were two stores there—a fellow by the name of Mr. White ran a store, and Mr. Smiley's son-in-law ran a store, you know, and so I commenced to trade with them. He wanted me to, of course; you know it was his.

Chairman WALSH. Did you give a chattel mortgage there?

Mr. STEWART. No; I never give anything there.

Chairman WALSH. Yes.

Mr. STEWART. And traded on, and they claimed that the boys would come up—the reason it was so high—the boys would come and get it.

Chairman WALSH. Your boys did?

Mr. STEWART. Yes.

Chairman WALSH. Did they?

Mr. STEWART. If they did, we never did know it. We never did know it. They got a few things, but we never did know that they got any of that.

Chairman WALSH. How much was the account at the store, if you remember, that year.

Mr. STEWART. One thousand one hundred dollars.

Chairman WALSH. One thousand one hundred dollars?

Mr. STEWART. For them and at the other store was enough to make up the \$1,700.

Chairman WALSH. And you made on the face of your profits a gross profit of \$1,700 for this year?

Mr. STEWART. Yes.

Chairman WALSH. Was there any way you kept track of your account in the store yourself?

Mr. STEWART. No; I never kept no track of it. I just thought it was all right, you know.

Chairman WALSH. When did you ascertain the amount of it?

Mr. STEWART. I never ascertained that until I began to pay it off.

Chairman WALSH. Did it consume all you had earned? Did you have any cash or balance left

Mr. STEWART. No, sir; not but very little.

Chairman WALSH. You started in the year following at the same place?

Mr. STEWART. Yes.

Chairman WALSH. I wish you would give a description of the supplies you bought that year.

Mr. STEWART. Well, we bought some meal and flour and some meat and we bought a few canned goods, but we lived there very well; we didn't live nothing to amount to much.

Chairman WALSH. And what was your clothing that year as compared with other years?

Mr. STEWART. We did not dress any better that year than we did other years.

Chairman WALSH. What does it cost you a year for yourself and family for clothing? Have you ever been able to keep enough track of it to tell?

Mr. STEWART. No, sir; I never have.

Chairman WALSH. You could not approximate it?

Mr. STEWART. No, sir; I could not. I could this year. We didn't have any.

Chairman WALSH. Please do not give any audible expression of feeling.

In an ordinary year, how much does your own clothing cost you, do you know?

Mr. STEWART. Why, about—I think one year I kept a sort of track of it and it was about \$74.

Chairman WALSH. For your own clothes?

Mr. STEWART. For my own clothes? No.

Chairman WALSH. You mean the whole family?

Mr. STEWART. Yes, sir; the whole family.

Chairman WALSH. I mean just for your own. Did you ever keep track of it in an ordinary year what it does cost for your clothing?

Mr. STEWART. Just myself?

Chairman WALSH. Yes; your own?

Mr. STEWART. Why, I never—I haven't bought but one suit in five years.

Chairman WALSH. Was that a whole suit—coat, pants, and vest?

Mr. STEWART. No, sir; just this coat and pants.

Chairman WALSH. And what does your other clothing consist of—overalls, shirt, and jumper?

Mr. STEWART. Yes.

Chairman WALSH. Do you buy those ready made?

Mr. STEWART. Yes.

Chairman WALSH. How many do you have to buy a year?

Mr. STEWART. Well, three or four pair, maybe.

Chairman WALSH. And what did your suit cost you, that you bought?

Mr. STEWART. Ten dollars.

Chairman WALSH. How much?



Mr. STEWART. Ten dollars.

Chairman WALSH. And how much do these overalls cost you?

Mr. STEWART. They cost a dollar, I think.

Chairman WALSH. A dollar?

Mr. STEWART. Yes.

Chairman WALSH. Now, the second year at Smiley's, how did you come out?

Mr. STEWART. We made, I think it was 57 bales of cotton, and I don't believe we got quite out that year. But I didn't owe so much.

Chairman WALSH. What happened that year that you got 75 bales of cotton, why didn't you have a surplus?

Mr. STEWART. We didn't get quite as much, we—it didn't bring quite as much, you know, as it did the year before.

Chairman WALSH. What was your store account that year?

Mr. STEWART. It was \$500 there at MacBeth, and \$750 over at the other place.

Chairman WALSH. What did that consist of? That surely did not consist of meal?

Mr. STEWART. No; it was stuff, the boys got some shoes and a few clothes, everyday clothes, you know, and then they would sell them soda pop, and cheese and crackers, all like that.

Chairman WALSH. Did the boys have an account? Did they buy just as they pleased at the store?

Mr. STEWART. They could get anything they pleased. I told him not to let them have it, but it didn't make any difference. They went ahead and just sold it just the same.

Chairman WALSH. After you started in the first year, what did you say to him about selling to the boys?

Mr. STEWART. I told them not to sell them, and they told me they wouldn't.

Chairman WALSH. Was liquor sold in the store?

Mr. STEWART. No, sir.

Chairman WALSH. Tobacco?

Mr. STEWART. Yes, sir.

Chairman WALSH. Did the boys use tobacco?

Mr. STEWART. Yes; they used tobacco.

Chairman WALSH. And you, too?

Mr. STEWART. Yes, sir.

Chairman WALSH. So your store account that year was \$1,250?

Mr. STEWART. Yes, sir.

Chairman WALSH. And what security did the store have for the payment of that indebtedness?

Mr. STEWART. They never had any.

Chairman WALSH. Now, then, the third year.

Mr. STEWART. The third year?

Chairman WALSH. Yes. You were there three full years and some over, I believe?

Mr. STEWART. Yes.

Chairman WALSH. How did you come out the third year? How much cotton did you make?

Mr. STEWART. We made 87 bales the third year, but had some water the third year.

Chairman WALSH. You say you made 52 bales one year and 57 bales the next year?

Mr. STEWART. And then 87 bales.

Chairman WALSH. How did you come out that year?

Mr. STEWART. Didn't come out as well as I did those other years. Cotton went down in price. Sold some of it as low as 5 cents, and picking went up, and it was a bad, rainy fall, too, and consequently the more we had the worse we were off.

Chairman WALSH. Now, what was your gross profit that year? I mean, your gross sales of cotton that year; how much did you get for your cotton?

Mr. STEWART. Why, we got 10 cents for some and 11 cents for some, and then sold some of it as low as 6.

Chairman WALSH. What was your store account that year?

Mr. STEWART. It was only about \$750, I think, that year.

Chairman WALSH. How did you come out on the whole? Did you have anything coming to you?

Mr. STEWART. No, sir.

Chairman WALSH. Nothing at all?

Mr. STEWART. Not much.

Chairman WALSH. That brings you down to what year now?

Mr. STEWART. Until the last year I live with him.

Chairman WALSH. What year was that; do you remember?

Mr. STEWART. Two years ago.

Chairman WALSH. That would be 1912, or 1911 to 1912. Now, after the third year did you start to make another crop?

Mr. STEWART. Yes, sir.

Chairman WALSH. Did you gather your crop?

Mr. STEWART. Yes, sir; the fourth year we cultivated 90 acres and made 6 bales of cotton.

Chairman WALSH. How did you come to make so little?

Mr. STEWART. It was flat land and the rain and worms ruined it.

Chairman WALSH. How did you come out?

Mr. STEWART. Came out bad that year—about \$700 in the hole.

Chairman WALSH. Who was carrying your indebtedness?

Mr. STEWART. Mr. White, at High.

Chairman WALSH. He was your landlord?

Mr. STEWART. No, sir.

Chairman WALSH. He was your storekeeper?

Mr. STEWART. Yes, sir. I did not owe this other outfit anything.

Chairman WALSH. Did Mr. White lose this account?

Mr. STEWART. No, sir.

Chairman WALSH. What became of it?

Mr. STEWART. I secured him with my stock and everything for that amount, and then moved up here to Mulberry bottom.

Chairman WALSH. Then you paid your indebtedness to him?

Mr. STEWART. No; I have not paid him.

Chairman WALSH. What security has he for it now?

Mr. STEWART. He has got the mules and the wagons.

Chairman WALSH. Has he the property or just the lien?

Mr. STEWART. Just a lien.

Chairman WALSH. You still have your wagons, have you?

Mr. STEWART. Yes; and teams.

Chairman WALSH. Now, you say you came to Mulberry bottom then?

Mr. STEWART. Yes, sir.

Chairman WALSH. And you were \$700 in debt in the place you left?

Mr. STEWART. Yes, sir.

Chairman WALSH. What did you have when you came to Mulberry bottom?

Mr. STEWART. I had them mules and wagons and three cows.

Chairman WALSH. Whom were you dealing with then?

Mr. STEWART. I bought corn from old man Roach that I rented from and then groceries from Mr. Edgar Price.

Chairman WALSH. How much land did you take there?

Mr. STEWART. We taken 100 acres.

Chairman WALSH. Did you put in a year on that?

Mr. STEWART. Yes, sir.

Chairman WALSH. Did you get a crop off of it?

Mr. STEWART. Yes, sir.

Chairman WALSH. How much cotton did you make?

Mr. STEWART. Made 27 bales.

Chairman WALSH. How did you come out that year?

Mr. STEWART. Came out bad.

Chairman WALSH. Still deeper in debt?

Mr. STEWART. Worse in debt; yes, sir.

Chairman WALSH. How much?

Mr. STEWART. I just made enough—I bought corn from him to feed me and I just paid for the corn and for what picking I had there; that is all I paid.

Chairman WALSH. How much were you out on that year?

Mr. STEWART. Expenses?

Chairman WALSH. Yes.

Mr. STEWART. I was out besides the corn about \$600.

Chairman WALSH. Now, how was that indebtedness secured?

Mr. STEWART. The groceries was not secured at all.

Chairman WALSH. You still owe for them?

Mr. STEWART. Yes, sir.

Chairman WALSH. Has the grocery keeper any security?



Mr. STEWART. No, sir.

Chairman WALSH. Or storekeeper?

Mr. STEWART. No, sir; nothing at all.

Chairman WALSH. Has nothing out of which to get that \$600 unless you have the ability to pay it and the honesty?

Mr. STEWART. That is all.

Chairman WALSH. Now, down to what date does that bring you?

Mr. STEWART. That brings it down—

Chairman WALSH. To the present time?

Mr. STEWART. Yes, sir.

Chairman WALSH. Where are you located now?

Mr. STEWART. I am at Spears Switch, in Fannin County.

Chairman WALSH. How far is that from here?

Mr. STEWART. It is 106 miles from here to Denison, and we live 18 miles from Denison.

Chairman WALSH. Now, when did you leave the last place you were tenant on?

Mr. STEWART. We left there Monday.

Chairman WALSH. Last Monday?

Mr. STEWART. Yes, sir.

Chairman WALSH. Why did you leave there?

Mr. STEWART. Well, I rented—when I left Mulberry bottom I came up and rented a place from old Mr. Spiney, and I found a sand pit on the farm, and I figured I didn't make any corn last year, and I had to pay \$5 in money rent, and I didn't make but two loads of corn, and I figured I could come up there with the team and haul sand and make some crop, too, and get by, and I came up and I couldn't get any business—couldn't get any work to do—and a fellow gave me 43 cords of wood to cut, and I did that, and the sand business all blew up and the old man would not help, and so I went over into Oklahoma and struck a man over there, and he said he had the land and the money and the work.

Chairman WALSH. How did you get over to Oklahoma?

Mr. STEWART. I went over on the train and made the trade, and then I came back and carried one load over there and my family, and got there and he backed out and said he wasn't going to have the work done until in the summer, and he wouldn't furnish anything until the crop was growing.

Chairman WALSH. You took your family over there?

Mr. STEWART. Sure.

Chairman WALSH. How did you take them over?

Mr. STEWART. In the wagon.

Chairman WALSH. How far was it, about?

Mr. STEWART. From Platter about 21 miles.

Chairman WALSH. Where did you go then?

Mr. STEWART. I came back to that same place and stayed two weeks and rented a house and then I moved over there.

Chairman WALSH. You are in the house now?

Mr. STEWART. Yes, sir.

Chairman WALSH. About how much cotton have you grown altogether? Have you kept track of it—since you were married?

Mr. STEWART. Not since I was married. I figured it up last night that since I have been in Texas I had made a little over 400 bales.

Chairman WALSH. You have not figured up what you have made during the entire time you have been farming for yourself?

Mr. STEWART. No, sir.

Chairman WALSH. Mr. Noble suggests that I ask you to give your experiences in looking for another place after your return from Oklahoma.

Mr. STEWART. I walked about 150 miles hunting one, and I never did find it.

Chairman WALSH. Now, do you think, Mr. Stewart, that you are unusually unfortunate, or that you had a roving tendency—a desire to move from place to place—and that that might have cut a figure in your lack of success?

Mr. STEWART. No, sir. I never did have any roving spirit. I was always wanting to do the best I can and could, you know; and if I would think I could do better I would go to better my condition. And then there were a few other things didn't suit—sometimes the houses would not suit and sometimes there was no pasture, and you would have to haul wood and water; that is the reason I left the black land after three years there. During this I hauled water 5 and 6 miles, and I paid 2 bits a tank; and I hauled wood 8 or 10

miles, and I paid 50 cents for it cut or a quarter if I cut it myself. And then I had the cows, and some fellows don't want you to keep any cows or hogs. One fellow did not want any hogs about where I worked on shares.

Chairman WALSH. In all your experiences have you been permitted to farm in the way you thought was best for yourself—in any of those places?

Mr. STEWART. Yes; I did.

Chairman WALSH. In what place was there where the landlord did not attempt to exercise any supervision over you?

Mr. STEWART. Well, they didn't any of them do that, only they told me what I could plant, you know—that I could only plant so much corn or cotton.

Chairman WALSH. So that there wasn't any place where you went on and rented that you could go and do just what you pleased about raising hogs and so on?

Mr. STEWART. No, sir; not about what you could plant and your stuff and the like of that. They always told you what you could plant and what you could not.

Mr. NOBLE. Ask him if that practice is universal.

Chairman WALSH. I was going to come down to some other questions first. What has your observation been, Mr. Stewart, as to other men engaged in the same calling as you? Now, you have, I suppose, met many other tenants in these places you have been and in the same neighborhood and how have you found them, generally speaking, as to staying in one place. Do they stay in one place for any length of time usually?

Mr. STEWART. Not long.

Chairman WALSH. There was a gentleman here this morning who rents a place to a number of tenants, and he had a case of one tenant that made something like—cleared something like \$1,500 per year and had been a tenant for 20 years; and another one that had been a tenant for 10 years and he had cleared something like \$1,000 or \$1,200 approximately right along. Do you meet with many tenants of that kind as you go along?

Mr. STEWART. No, sir; I sure do not.

Chairman WALSH. Now, what has been your experience? Have you talked with tenants and met other tenants?

Mr. STEWART. Yes, sir; I have.

Chairman WALSH. And what has their experience been, so far as you have observed?

Mr. STEWART. Just about like my experience. If you get to making a little money, you have to move.

Chairman WALSH. Why do you have to move if you get to making a little money? I should think the landlord would want you to stay?

Mr. STEWART. I know; but some of them, if they don't get it all, they want you to go farther.

Chairman WALSH. Mr. Noble, what was that question you asked me to ask him?

Mr. NOBLE. You have asked it.

Chairman WALSH. Oh; I have covered it.

Mr. NOBLE. Yes.

Mr. STEWART. Well, then, what I wanted to say—

Chairman WALSH. I was going to say, you know what we are doing here. We are trying to inquire into the conditions at this particular time of tenant farming in your neighborhood and in the neighborhoods in which you have lived; and the Government is trying to ascertain just what the conditions are so that perhaps some laws can be suggested and some line of conduct by which if things are not equitable they may be made as nearly so as possible, if it can be done; but at least it is desirable to have a first-hand knowledge of the conditions. Now, in view of that, if there is anything you would like to say, Mr. Stewart, that you have not stated, or anything that you wish to volunteer, or any statement you would like to make, you may do so.

Mr. STEWART. I would like to tell you about a place; I was a tenant on one place, and a fellow had some Bermuda grass and Johnson grass on the place, and he came to me and he says: "If you will take that place and kill that grass and fix them ditches, you can have it as long as you want to." And I went up there, and I killed that grass, and I took my team and filled up the ditches and got it in nice shape, and then he came around and says: "I want to work this myself, and you can go over to this other place of mine, and I have got some Bermuda grass and Johnson grass on it, and you can clean that up, and you can have that." So I took that.



Chairman WALSH. Why did you do that? Why didn't you recall the contract you had made at first?

Mr. STEWART. That would not have done me any good. He would have put me off, anyhow.

Chairman WALSH. Did you undertake to do it?

Mr. STEWART. No; I did not. I told him I would rather stay there, but he told me he couldn't let me have that.

Chairman WALSH. Was that in Texas or in Arkansas?

Mr. STEWART. In Texas.

Chairman WALSH. What place was that?

Mr. STEWART. That was on Mr. Smiley's place.

Chairman WALSH. I would like, if I can, to ascertain now what social advantages you had. Did you meet your neighbors any place?

Mr. STEWART. No, sir.

Chairman WALSH. Any sort of gathering?

Mr. STEWART. No, sir.

Chairman WALSH. I notice you have a pin on you, an emblem of an organization or lodge. What lodges do you belong to?

Mr. STEWART. Odd Fellows and Woodmen.

Chairman WALSH. Where did you join the Odd Fellows?

Mr. STEWART. There at High.

Chairman WALSH. Keep your dues paid?

Mr. STEWART. I did until—I am behind a little now.

Chairman WALSH. But you are still a member of the organization?

Mr. STEWART. Sure; yes.

Chairman WALSH. How about the Woodmen?

Mr. STEWART. We are still in that; but the Woodmen lodge where I belonged to blew up. All the renters—they got to working there with negro labor, and all the renters there were Odd Fellows, nearly, and they had to disband the lodge or take some negroes in, and they just moved it——

Chairman WALSH. You have held on to both organizations, however, have you?

Mr. STEWART. Yes.

Chairman WALSH. And paid your dues in them?

Mr. STEWART. Yes, sir.

Chairman WALSH. Now, have you been a voter as you have gone around to these places?

Mr. STEWART. Never voted but three times in my life.

Chairman WALSH. Have you understood anything about the Government—that it is a democracy, and that it depends upon your consent and the consent of men like you——

Mr. STEWART (interrupting). Sure; yes, sir.

Chairman WALSH. Well, why didn't you exercise your franchise?

Mr. STEWART. Well, it did not look like it done any good. It seemed like it went their way, anyhow.

Chairman WALSH. When were the three times you voted?

Mr. STEWART. Voted once in the primary in Texas and the other two times was in Arkansas.

Chairman WALSH. I believe there is a poll tax in this State.

Mr. STEWART. Yes, sir.

Chairman WALSH. Did you ever pay your poll tax?

Mr. STEWART. Yes, sir; I paid them.

Chairman WALSH. All the time?

Mr. STEWART. I paid them up until this year. I haven't paid them now; didn't have the money.

Chairman WALSH. But during these years you have been in Texas, except this year, you have paid poll tax?

Mr. STEWART. Yes, sir; I paid the poll tax.

Chairman WALSH. What is your idea, Mr. Stewart, about the probability of your obtaining justice? Now, I understand—I may be mistaken, but I understand that the laws are open to poor people. You understood that, didn't you, that if you said you could not give bonds—if a person has no money to give bond and is without means, can't he sue as a poor person?

Mr. STEWART. Yes; he can by taking the pauper's oath.

Chairman WALSH. The pauper's oath, and then sue for nothing. Now, take the one particular case you have mentioned, without going into the merits of it; well, take the two cases you have mentioned, the one where you did the

clearing for the gentleman you say did not pay you at all and the other, where you made a contract to burn out the Johnson grass, as you call it—

Mr. STEWART. Bermuda and Johnson; yes, sir.

Chairman WALSH. Now, why didn't you just go into the courts and take the pauper oath, which just simply means that you did not have the means to pay the costs and had no friend who could go on your bond? Why didn't you just go into court and take that pauper oath and establish your claim and make them pay you?

Mr. STEWART. I did not feel like I would gain it if I did; that I was a poor man and the other fellow had the money.

Chairman WALSH. Was it your idea that you simply could not carry it on because you could not live and stay in a place if you took that course, or that the court would not give you justice on account of your being a poor man?

Mr. STEWART. I did not think they would; and then you couldn't stay on a place, you know.

Chairman WALSH. Had you any reason for believing, for instance, that the judge would not declare the law right, and the jury, if you had a jury, would not give you justice?

Mr. STEWART. It seemed that was the way it was going.

Chairman WALSH. How did you get that idea?

Mr. STEWART. By being in them courts down in Paris.

Chairman WALSH. Was you ever in court as a litigant?

Mr. STEWART. No, sir.

Chairman WALSH. Well, did you get that point of view from what you observed yourself or from talking among others?

Mr. STEWART. What I observed and then talking, too.

Chairman WALSH. You had a notion in the first place, or a belief in the first place, that you could not get justice even if you would go into court?

Mr. STEWART. Sure.

Chairman WALSH. You say "sure." You mean that was your belief or that you are sure—

Mr. STEWART. I believed that; that I could not.

Chairman WALSH. You believed that you could not?

Mr. STEWART. Yes, sir.

Mr. NOBLE. I would like to make a statement and have you bring the fact out that when I asked this gentleman to come down here, he had fears that if he did come to testify he would not be allowed or could not rent no land in the country, and I would like to have that made plain, that he came at the request of the Government and not voluntarily.

Chairman WALSH. Yes. You were subpoenaed to come. You understand you were subpoenaed to come here by the Government?

Mr. STEWART. Yes.

Chairman WALSH. You understand that?

Mr. STEWART. Yes.

Chairman WALSH. That you are not voluntarily here; that a subpoena was served upon you and you were required to come here and tell your story and all. You understood that, did you?

Mr. STEWART. Yes, sir.

Chairman WALSH. Now, I interrupted you. Now, if you have any suggestions that you would like to make here to go into the record, I wish you would make them, Mr. Stewart, as to how you think you ought to be dealt with by the landlords; how you think, from your standpoint—we will say, first, what you think from your standpoint the contract ought to be between yourself and the landlord. You are going right on renting now, we will suppose, and how you think the contract ought to be made.

Mr. STEWART. About renting?

Chairman WALSH. Yes, sir.

Mr. STEWART. Why, I think the third and fourth ought to be—

Chairman WALSH (interrupting). And you think if you could ordinarily get land of a fair character, that that would be a just proportion?

Mr. STEWART. Yes, sir; I think it would.

Chairman WALSH. And that you could make a living out of it?

Mr. STEWART. Sure.

Chairman WALSH. Now, have you any other suggestions that the landlord ought to furnish you more or furnish you less or any improvement that you might make yourself?

Mr. STEWART. Yes; they ought to do more to improve and fix up better.



Chairman WALSH. You mean fix up the houses you live in?

Mr. STEWART. Yes; and the barns and things. People that rent don't have any conveniences at all, the majority of them don't have anything; just live out of doors.

Chairman WALSH. Do you think the manner in which you lived had anything to do with the condition of your health and that of your family?

Mr. STEWART. Yes; in them little houses and no screens—

Chairman WALSH. How is that?

Mr. STEWART. I say in them houses without any screens; and some of them we lived in there were no screens over the windows or shutters, and the flies and mosquitoes and everything, it is bound to be a detriment.

Chairman WALSH. Now, you say there was no precaution in the way of screens or anything, and insects would get into the house?

Mr. STEWART. Yes, sir.

Chairman WALSH. And the flies would accumulate in large numbers?

Mr. STEWART. Yes, sir.

Chairman WALSH. And get into the food you were eating, and so forth?

Mr. STEWART. Yes, sir.

Chairman WALSH. What were the toilet arrangements? Where were the water-closets located in connection with these houses that you have been in?

Mr. STEWART. Some of them had toilet arrangements and some of them did not. They were off right smart ways from the house.

Chairman WALSH. Some of them had been built off from the house?

Mr. STEWART. Yes.

Chairman WALSH. Covered, with an inclosure?

Mr. STEWART. Yes, sir.

Chairman WALSH. Now, is there anything else you would like to say yourself, Mr. Stewart? Did you know, for instance, that at the last election there was some law proposed that affected you one way or the other as tenant?

Mr. STEWART. At the last election?

Chairman WALSH. Yes; in Texas? Did you understand there was any proposition for a new law governing tenancy?

Mr. STEWART. Yes; I understood that Ferguson was going to have a law regulating this rent proposition.

Chairman WALSH. Well, did you vote at that election?

Mr. STEWART. No; I did not vote.

Chairman WALSH. Well, were you situated in a place where you had the right to vote?

Mr. STEWART. Yes; I had the right to vote.

Chairman WALSH. Why didn't you go and vote if there was an election?

Mr. STEWART. I was sick that day.

Chairman WALSH. That was on account of your illness, wasn't it?

Mr. STEWART. Yes, sir.

Chairman WALSH. If you had not been sick, would you have voted one way or the other?

Mr. STEWART. Yes; I guess I would.

Chairman WALSH. You guess you would? Would you or not?

Mr. STEWART. Yes.

Mr. NOBLE. Ask him if he knows of intimidation if their politics didn't suit the landlord.

Chairman WALSH. Have you at any time in any place which you have been found that there was any effort to influence you in any way by your landlord, either in general elections or school elections?

Mr. STEWART. No; I do not know. I have heard lots of them say they would not rent to a man if he would vote the Socialist ticket; that he had to do so and so or he couldn't rent the land if he voted the Socialist ticket; they wouldn't let him have it—or something like that.

Chairman WALSH. Without stating your preference, which is none of our business here, have you been a man that has had some fixed opinion as to party affiliations? Do you have a leaning toward some political party?

Mr. STEWART. Me?

Chairman WALSH. Yes.

Mr. STEWART. Not particularly.

Chairman WALSH. Have you ever studied what is said to be the principles of either one of the old parties?

Mr. STEWART. Yes; I have studied that some. .

Chairman WALSH. And have you studied the principles of the new ones?

Mr. STEWART. Yes, sir; some.

Chairman WALSH. The Socialist Party, or any of the third parties that have come up from time to time?

Mr. STEWART. Yes, sir.

Chairman WALSH. Where did you secure your information?

Mr. STEWART. Well, I have read in these papers—the Appeal to Reason, I have read that, and the Buzz Saw, and I have read these others, the Fort Worth Record, you know, the Dallas News. I have read them all.

Chairman WALSH. The daily papers?

Mr. STEWART. Yes, sir. Daily and weekly, too.

Chairman WALSH. Did you ever try to develop yourself as a farmer to undertake to improve your methods, etc.

Mr. STEWART. Yes, sir.

Chairman WALSH. I believe you stated in one part of your testimony that since you came to Texas you were in one neighborhood where some direction was given by the State, or by the university, or what was that?

Mr. STEWART. That was Mr. Guy Bane. He was the agricultural agent down there.

Chairman WALSH. From where was he?

Mr. STEWART. He was from Lamar County. He lives at Paris.

Chairman WALSH. What were his activities?

Mr. STEWART. Sir?

Chairman WALSH. What did he do?

Mr. STEWART. He came around, you know, and sent literature how to plant, how to cultivate, you know, and to diversify, and all those things.

Chairman WALSH. Did you read that literature?

Mr. STEWART. Yes, sir.

Chairman WALSH. Were you ever in any place where a prize was given for improved methods of farming?

Mr. STEWART. Yes, sir; they give them down there.

Chairman WALSH. Do they? Did you ever enter into it?

Mr. STEWART. I entered into it, but I didn't hold out. They sent me—the Industrial Congress sent me a letter of recommendation, and also an emblem to wear.

Chairman WALSH. For what?

Mr. STEWART. For being a good farmer.

Chairman WALSH. Did you follow their methods?

Mr. STEWART. Yes. Followed them the best that I could, owing to the season, you know. Of course, I did not sometimes, when it would say to plow, and I could not; it had rained and I could not do it.

Chairman WALSH. Have you ever had any litigation with anyone in any court, yourself?

Mr. STEWART. No, sir.

Chairman WALSH. During all these years?

Mr. STEWART. No, sir; never had.

Chairman WALSH. Were you ever in court at all?

Mr. STEWART. No, sir.

Chairman WALSH. As a defendant or prosecutor in any case?

Mr. STEWART. No, sir.

Chairman WALSH. As far as the State was concerned, you have not been in the courts one way or the other?

Mr. STEWART. No, sir.

Chairman WALSH. You have never been accused of violating the law in any way?

Mr. STEWART. No, sir.

Chairman WALSH. Never sued, and you never sued anybody?

Mr. STEWART. No, sir. Well, I would say about this other that—

Mr. NOBLE. Tell him about that.

Mr. STEWART. I forgot that. They spoke too quick. I had some; my boy down at Paris, before we left there, he bought a buggy, an old buggy, my oldest son; and so I bought a sulky plow, and I moved off up here, and a fellow he came up then—the collector, you know.

Chairman WALSH. Yes.

Mr. STEWART. So he wanted—he said they did not have any lien or anything either way—and he wanted me to give him a lien on something; so he insisted,



said he didn't have it on anything except the old sulky plow. So I turned in and gave—he had always treated me nice, favored me in every way they could—so I turned in and I gave them a lien. I had five hogs and a cultivator and machine and that old sulky plow and a harrow, and I gave them a lien on that for that money. And so it went on. This fall the Roach man, the man I lived with, he taken all my cotton for what I owed him, and the corn and everything, and I didn't have it, and my wife sat down and wrote this fellow a letter and told him; she says: "We can't pay any of that this fall at all." She says: "If you will take this stuff and sell it for us, or help us to sell it, I will bring it down in the wagon right to your door." They wrote me a letter back—that was when it was due—they wrote me back a letter that they didn't want the stuff, to get them up \$75 and they would carry it over another year. It was \$148. So I didn't write them; I couldn't—didn't have a cent; I never had a cent. Roach taken my cotton. I never even sold a bale last year out of that 27. So they waited until we got the hogs fat, fed what corn we had up to the hogs, killed them, cold weather came on, and we killed them about Christmas, and this was due the 1st of October. Well, we moved up there, and on New Year's Day, why, they came up and then attached the cultivator, you know, and the tools and taken them with them.

Chairman WALSH. How much meat was there?

Mr. STEWART. There was about 300 pounds.

Chairman WALSH. Was the meat sold?

Mr. STEWART. Sir?

Chairman WALSH. Was the meat sold?

Mr. STEWART. No, sir. It is advertised for sale now. That was the first; they never did advertise for anything until the other day they came up there and wanted me to turn the stuff over to them, and I told them I would not turn the stuff over to them, that I had offered to turn it once and they didn't want it, and I told them to just go right ahead and sell it for whatever the law directs.

Chairman WALSH. That is offered for sale now?

Mr. STEWART. Yes.

Chairman WALSH. What did you say the meat is worth at the present time?

Mr. STEWART. It was worth—they sell it down there for about 15 cents. About 300 pounds of it.

Chairman WALSH. Did they leave any meat for the use of your family?

Mr. STEWART. No, sir; never left anything.

Mrs. STEWART. They left us three messes.

Chairman WALSH. They left you enough for three meals?

Mr. STEWART. Yes, sir.

Mrs. STEWART. Three meals, yes, sir; that is what they left.

Mr. STEWART. The other day when they came back they gave us a small neb; when they came back and advertised the stuff, you know. They gave us a small neb.

Chairman WALSH. How much do you owe altogether at this time?

Mr. STEWART. I do not know just exactly how much I owe, but I owe seven or eight hundred dollars.

Chairman WALSH. You may be excused for the present.

Mrs. STEWART. Two years we did work for nothing; that it would have been better if we did not do anything.

Chairman WALSH. This last two years?

Mr. STEWART. Yes.

Chairman WALSH. You will be excused, Mr. Stewart, for the present. We are very much obliged to you for coming.

Mrs. Stewart, please take the stand.

#### TESTIMONY OF MRS. BEULAH STEWART.

Commissioner HARRIMAN. Please give your name.

Mrs. STEWART. Mrs. Beulah Stewart.

Commissioner HARRIMAN. Where were you born?

Mrs. STEWART. I was born in Faulkner County, Ark.

Commissioner HARRIMAN. Was your father a farmer?

Mrs. STEWART. Yes, ma'am.

Commissioner HARRIMAN. Did you go to school?

Mrs. STEWART. Yes, ma'am.

Commissioner HARRIMAN. What age did you leave school?

Mrs. STEWART. I was 15 years old when I was married, and then is when I left school.

Commissioner HARRIMAN. You left school when you were 15 years old?

Mrs. STEWART. Yes.

Commissioner HARRIMAN. Did your father own or rent his farm?

Mrs. STEWART. He was a landowner.

Commissioner HARRIMAN. How much land did he own?

Mrs. STEWART. I don't know how much land he owned at the time I was married, but he was accounted the largest farmer there was in Faulkner County when I was married.

Commissioner HARRIMAN. Well, when you started to housekeeping, what did you have?

Mrs. STEWART. Why——

Commissioner HARRIMAN (interrupting). Did you start with any money at all?

Mrs. STEWART. No.

Commissioner HARRIMAN. Did your father give you anything?

Mrs. STEWART. He gave us our bedding and bedclothes, and we had plenty of clothing for myself, and a cow and a calf when we first went to house-keeping.

Commissioner HARRIMAN. And that is all you had to begin with?

Mrs. STEWART. Yes.

Commissioner HARRIMAN. Did you have any furniture?

Mrs. STEWART. No.

Commissioner HARRIMAN. How did you get your furniture?

Mrs. STEWART. We got it on credit.

Commissioner HARRIMAN. And a stove, too?

Mrs. STEWART. Yes, ma'am.

Commissioner HARRIMAN. How many houses have you lived in altogether since you have been married? Have you kept count of it?

Mrs. STEWART. No.

Commissioner HARRIMAN. Haven't you any idea at all?

Mrs. STEWART. No.

Commissioner HARRIMAN. About 20, do you suppose?

Mrs. STEWART. Yes; I guess so.

Commissioner HARRIMAN. Have you ever lived in a one-room house since you have had the children?

Mrs. STEWART. Yes, ma'am.

Commissioner HARRIMAN. What is the largest number of rooms you have had in a house, since you were married?

Mrs. STEWART. Seven rooms.

Commissioner HARRIMAN. Well, now, have you helped with the work on the farm?

Mrs. STEWART. Yes, ma'am.

Commissioner HARRIMAN. Can you describe the work you did?

Mrs. STEWART. I made a hand every year while we was in Arkansas, but one. And I was sick all that year, and did not work any.

Commissioner HARRIMAN. Did you work before the children were born, while you were carrying them?

Mrs. STEWART. Up until how long before they were born? Well, up until three or four months before they were born.

Commissioner HARRIMAN. What do you think is the effect on a women's health, dragging cotton sacks?

Mrs. STEWART. I never did that. I could not stand to stoop.

Commissioner HARRIMAN. Do you think it is bad for a woman to do that?

Mrs. STEWART. Yes, ma'am.

Commissioner HARRIMAN. What did you do; please describe your work?

Mrs. STEWART. I chopped cotton.

Commissioner HARRIMAN. Chopped cotton?

Mrs. STEWART. Yes.

Commissioner HARRIMAN. What else?

Mrs. STEWART. And dropped corn and sowed cotton seed with my hand in Arkansas, and that is all the farm work.

Commissioner HARRIMAN. And then you did the housework also?

Mrs. STEWART. Yes.



Commissioner HARRIMAN. How many hours were you at work in the field, and how long did you put in at your housework?

Mrs. STEWART. During the spring of the year, when we was making the cotton by ourselves, we would try to get out as soon as we could see how to go. We would leave everything until noon and straighten up when I came in.

Commissioner HARRIMAN. About your meals, how many meals did you have a day?

Mrs. STEWART. Generally three meals.

Commissioner HARRIMAN. What did you eat at your meals, and when did you have them? Did you have your breakfast before you went out?

Mrs. STEWART. Yes, ma'am; we ate at 4 o'clock.

Commissioner HARRIMAN. What did you generally have for breakfast?

Mrs. STEWART. Sometimes sirup and biscuits and meat.

Commissioner HARRIMAN. Sorghum?

Mrs. STEWART. Yes; and meat and bread—corn bread—and sometimes potatoes.

Commissioner HARRIMAN. You made the corn bread, of course?

Mrs. STEWART. Yes.

Commissioner HARRIMAN. What time did you have your dinner?

Mrs. STEWART. We had dinner at 12 o'clock; I would quit at 11 o'clock and go home and cook dinner.

Commissioner HARRIMAN. You would go home to cook dinner, would you?

Mrs. STEWART. Yes.

Commissioner HARRIMAN. What did you have for dinner?

Mrs. STEWART. If we had any vegetables I would have them vegetables, if I had time to cook them. I could not cook vegetables every day when I was working in the field, but I did once in a while when I was working in the field.

Commissioner HARRIMAN. Did you have any chickens?

Mrs. STEWART. Yes, ma'am.

Commissioner HARRIMAN. Did you raise chickens?

Mrs. STEWART. Yes, ma'am.

Commissioner HARRIMAN. What other kind of meat did you have—hogs?

Mrs. STEWART. Yes, ma'am.

Commissioner HARRIMAN. What meat did you have, mostly chicken?

Mrs. STEWART. Yes, ma'am; and what we bought; we generally bought our meat.

Commissioner HARRIMAN. What kind of meat did you buy?

Mrs. STEWART. Salt pork—"dry pork" they call it.

Commissioner HARRIMAN. Did you keep cows most of the time?

Mrs. STEWART. Yes, ma'am.

Commissioner HARRIMAN. You kept a cow?

Mrs. STEWART. Yes, ma'am.

Commissioner HARRIMAN. Who did the milking of the cow?

Mrs. STEWART. I did.

Commissioner HARRIMAN. Then you did what cooking there was done, and you milked the cow, and you worked in the field?

Mrs. STEWART. Yes.

Commissioner HARRIMAN. Did you do the washing?

Mrs. STEWART. I would take a day out once a week and do the washing.

Commissioner HARRIMAN. You said you did not do any cotton picking?

Mrs. STEWART. No. Well, the last fall we was out there in Arkansas we wanted to get our cotton out with just as little expense as possible, and I picked then; I never averaged over 200 pounds a day, with my housework.

Commissioner HARRIMAN. From your observation, would you think that women ought to drag cotton sacks in the field?

Mrs. STEWART. Certainly not.

Commissioner HARRIMAN. Don't a great many people drag cotton sacks in the field?

Mrs. STEWART. Yes.

Commissioner HARRIMAN. They do?

Mrs. STEWART. Yes.

Commissioner HARRIMAN. You have seen them yourself?

Mrs. STEWART. Yes.

Commissioner HARRIMAN. You think it hurts their health, do you?

Mrs. STEWART. Yes.

Commissioner HARRIMAN. That it hurts them physically?

Mrs. STEWART. Yes.

Commissioner HARRIMAN. Did you have a garden patch? Did you usually have a garden patch at the places you lived?

Mrs. STEWART. Yes.

Commissioner HARRIMAN. And raised your own vegetables?

Mrs. STEWART. Yes.

Commissioner HARRIMAN. What vegetables did you raise?

Mrs. STEWART. We generally had onions and beets, and English peas, beans, and Irish potatoes, and cucumbers.

Commissioner HARRIMAN. Did you usually have a well near your house, or did you have to go far to get water?

Mrs. STEWART. As a general rule we had a well, but I have carried water myself half a mile.

Commissioner HARRIMAN. You have carried water yourself half a mile?

Mrs. STEWART. Yes.

Commissioner HARRIMAN. Could you describe a house to us, about the conditions of the house, when you would move into a place? Did you have to take your furniture with you—what furniture you had—or did you find something there, and was the house clean?

Mrs. STEWART. Some of them were tolerably decent and some were not.

Commissioner HARRIMAN. Could you describe a house to us? Take the one you moved into, the one before the last. How many rooms did that have?

Mrs. STEWART. Three rooms—the one we are in now.

Commissioner HARRIMAN. Were they painted?

Mrs. STEWART. They were painted overhead and the doors; they are comfortable.

Commissioner HARRIMAN. What furniture did you have for that house? How did you use those rooms? Did you have a kitchen?

Mrs. STEWART. Yes; and two bedrooms.

Commissioner HARRIMAN. Eat in the kitchen?

Mrs. STEWART. Yes.

Commissioner HARRIMAN. Did you have a range or stove?

Mrs. STEWART. A cook stove.

Commissioner HARRIMAN. What furniture did you have in those rooms?

Mrs. STEWART. I have four bedsteads, and a dresser, and a washstand, and a wardrobe, and kitchen cabinet, and a trunk.

Commissioner HARRIMAN. How many of you live in those three rooms—you and your husband and eight children?

Mrs. STEWART. Seven children only; one has left, and lives away from home.

Commissioner HARRIMAN. How did you divide up in the house?

Mrs. STEWART. I had two beds in each room; they were big rooms, and I divided the other furniture just as I could get it in.

Commissioner HARRIMAN. Did you have any sewing machine?

Mrs. STEWART. Yes, ma'am; up until it was taken away from me.

Commissioner HARRIMAN. Did you make the children's clothes?

Mrs. STEWART. Yes, ma'am, and sew for myself.

Commissioner HARRIMAN. When did you do your sewing, if you were working in the field and doing all that other work?

Mrs. STEWART. When we lived at High I was not able to work in the field, and I could make more with the machine than I could in the field. If I sewed some at night—I have cleared as high as \$2 a day sewing.

Commissioner HARRIMAN. Do I understand you to say that you did this work—sewing—for outsiders?

Mrs. STEWART. Yes, ma'am; I sewed for outsiders and made as high as \$2 a day.

Commissioner HARRIMAN. How many hours a day did you have to work to make \$2?

Mrs. STEWART. I would have to start in early and sew into the night.

Commissioner HARRIMAN. And while you were doing that you were cooking for the family also?

Mrs. STEWART. Yes, ma'am.

Commissioner HARRIMAN. And looking after the children?

Mrs. STEWART. Yes, ma'am.

Commissioner HARRIMAN. How about your clothes. Your husband says he bought your clothes for you when you got anything in town at the different places. How did he manage to get something to fit you?

Mrs. STEWART. He would buy the stuff, and I would make them. He never bought me anything ready-made. I never have got a dress ready-made for myself in my life since I have been a married woman.



Commissioner HARRIMAN. He bought you the stuff, and you made it up?

Mrs. STEWART. Yes, ma'am.

Commissioner HARRIMAN. How about the children—did you make their clothes, too?

Mrs. STEWART. Yes, ma'am.

Commissioner HARRIMAN. You did?

Mrs. STEWART. I used to make all the clothes he wore and my own, too, and for the children when we lived in Arkansas.

Commissioner HARRIMAN. How about the sunbonnets?

Mrs. STEWART. I make them myself.

Commissioner HARRIMAN. Did you ever go to a milliner's or buy any trimmed hats, ready-made?

Mrs. STEWART. I believe I bought three.

Commissioner HARRIMAN. That is since you have been married.

Mrs. STEWART. Yes; I ordered one from Montgomery Wards. I sent them a money order for it.

Commissioner HARRIMAN. Now, tell us something; you went to school until you were 15 years old, and, of course, you are pretty well educated?

Mrs. STEWART. Yes.

Commissioner HARRIMAN. Did you have time to do any reading?

Mrs. STEWART. Not down there.

Commissioner HARRIMAN. Did you have anything in the house to read if you wanted to?

Mrs. STEWART. No.

Commissioner HARRIMAN. You took some papers; your husband spoke about them.

Mrs. STEWART. Yes, ma'am. He takes newspapers, and I sometimes read novels when I have spare time.

Commissioner HARRIMAN. You do? How do you get your novels?

Mrs. STEWART. I subscribe for them or story papers.

Commissioner HARRIMAN. Where do you subscribe for them?

Mrs. STEWART. I don't believe I can give that name.

Commissioner HARRIMAN. Some place in town, near by?

Mrs. STEWART. I never go to town to buy papers; I order them by mail.

Commissioner HARRIMAN. The novels are in the papers.

Mrs. STEWART. Yes.

Commissioner HARRIMAN. In magazines.

Mrs. STEWART. Yes.

Commissioner HARRIMAN. Do you take any farm papers?

Mrs. STEWART. Yes.

Commissioner HARRIMAN. What farm papers do you take?

Mrs. STEWART. He taken the Farm and Ranch.

Mr. HOLMAN. Do you take any semiweekly papers?

Mrs. STEWART. He taken the Dallas News.

Mr. HOLMAN. Any others? Do you take your local county paper?

Mrs. STEWART. I think he did take the Fort Worth Record.

Commissioner HARRIMAN. How about shoes—did the children have shoes?

Mrs. STEWART. Up to this winter and last; yes.

Commissioner HARRIMAN. How often did you buy new shoes?

Mrs. STEWART. I hardly ever bought them over a pair through the winter.

Commissioner HARRIMAN. A pair apiece?

Mrs. STEWART. Yes, ma'am; through the winter; and I buy them slippers for summer.

Commissioner HARRIMAN. In summer they wear slippers.

Mrs. STEWART. Yes.

Commissioner HARRIMAN. You mean sandals, or regular slippers?

Mrs. STEWART. No; regular slippers.

Commissioner HARRIMAN. Have you any shoes at all for the children now?

Mrs. STEWART. No, ma'am.

Mr. HOLMAN. Mrs. Stewart, it has been asked if you remember about how long you took the Farm and Ranch; did you take it for a year, or on trial, or what?

Mrs. STEWART. I just don't remember, but it seems to me he taken it a part of three years.

Mr. HOLMAN. Was he one of the life-contract people? Do you remember whether he got a certificate or not, so that he could take it on a life contract at \$1 a year?

Mrs. STEWART. I forget how it was now, but at that time he didn't have no money to pay for it, and I don't think he taken it.

Mr. STEWART. I didn't continue it on the life contract.

Mr. HOLMAN. Did you take it as much as three years?

Mr. STEWART. I think I did.

Commissioner HARRIMAN. Now, Mrs. Stewart, these clothes that the children have on, are those their best clothes?

Mrs. STEWART. Yes, ma'am; and I have on the best I have.

Commissioner HARRIMAN. And you made them yourself?

Mrs. STEWART. Yes, ma'am. This dress this little girl has on [indicating] and the other little girl here [indicating] was given to them a short time ago. They had some as good as these, but these were already done up when they were given to them. Their clothes were summer clothes.

Commissioner HARRIMAN. Now, Mrs. Stewart, is there anything you would like to tell us about the condition, about the life, of a woman on a farm, and how you think things might have been made better; what remedies you think there are that you could suggest to change things?

Mrs. STEWART. Well, a woman, if stout, ought to be able to keep her house and do her sewing; but if she is not stout, and she has a family like I have got, it is more than she can stand. It is more than I can stand. I know it is more than I could stand if I was able to hire it done.

Commissioner HARRIMAN. You have to work so hard and do your washing?

Mrs. STEWART. Yes; I can hardly hold out to do the housework, let alone the washing.

Commissioner HARRIMAN. Did you have a doctor to look after you when your babies were born?

Mrs. STEWART. Yes.

Commissioner HARRIMAN. With all of them?

Mrs. STEWART. Not every one. I had my grandmother with two of them, and the rest I had a doctor. My husband would not have anyone but a physician. I always had a good physician.

Commissioner HARRIMAN. How long did you rest after the babies were born?

Mrs. STEWART. If I could possibly do it I never was in bed over nine days.

Commissioner HARRIMAN. But you usually did have—stayed in bed nine days?

Mrs. STEWART. Yes.

Commissioner HARRIMAN. What about—did you spend much money on patent medicines?

Mrs. STEWART. No, ma'am; not a great deal.

Commissioner HARRIMAN. How about the children? Did you spend anything on soothing sirup or medicines of that kind?

Mrs. STEWART. Not much; I have some, but not a great deal. The most patent medicine I ever bought was this Dr. Miles's nervine; I used to keep that all the time.

Commissioner HARRIMAN. Did you have a nervous breakdown yourself?

Mrs. STEWART. Yes, ma'am.

Commissioner HARRIMAN. What from—from overwork?

Mrs. STEWART. Yes, ma'am; and the strain.

Commissioner HARRIMAN. And the worry. Did you worry much?

Mrs. STEWART. Yes, ma'am; and I had children real young, and that is the cause of it.

Commissioner HARRIMAN. Do you worry much about what is going to happen in the future?

Mrs. STEWART. No, ma'am; I don't think it does any good.

Commissioner HARRIMAN. It doesn't do any good. That is good philosophy.

Mrs. STEWART. I do the best I can whatever comes. I was told to not take any more in the head than I could kick out at the heels.

Commissioner HARRIMAN. Have you always had plenty to eat?

Mrs. STEWART. No, ma'am. We have had nice things since January, but we didn't have before that, often, bread in the house.

Commissioner HARRIMAN. That is all. Thank you very much.

Do you know of other women in the neighborhood where you live that are in the same condition that you are in? I mean that have had to do as much work?

Mrs. STEWART. Yes.

Commissioner HARRIMAN. That are in about the condition that you are in. Do you say you do know a number?



Mrs. STEWART. Yes, ma'am; I know of several.

Commissioner HARRIMAN. That is all.

Chairman WALSH. That is all; you will be excused for the present.

Prof. Leonard.

#### TESTIMONY OF PROF. WILLIAM E. LEONARD.

Chairman WALSH. What is your name?

Prof. LEONARD. William E. Leonard.

Chairman WALSH. What is your business or profession?

Prof. LEONARD. I am an instructor in the University of Texas.

Chairman WALSH. How long have you occupied that position?

Prof. LEONARD. This is my third year.

Chairman WALSH. Are you a graduate of any school, any university, or college, Doctor?

Prof. LEONARD. I am a graduate of Iowa College.

Chairman WALSH. Of what college?

Prof. LEONARD. Iowa College and the University of Wisconsin.

Chairman WALSH. How long have you been a teacher or professor?

Prof. LEONARD. About 15 years, I think.

Chairman WALSH. And what were your engagements before you became connected with the University of Texas?

Prof. LEONARD. I was teaching in a small college in Omaha, Nebr.

Chairman WALSH. You have followed the teaching profession for, you say, 15 years?

Prof. LEONARD. About 15.

Chairman WALSH. I wish you would give as concisely as possible, without any further questions, what your activities have been as a teacher?

Prof. LEONARD. I taught in the country schools for about 5 years—from the time I was about 17 years of age until I was something over 20. After that I took my college course, and since then I have been teaching in either academies, colleges, or universities.

Chairman WALSH. What is your position at the State University?

Prof. LEONARD. I am an instructor in economics at the State University.

Chairman WALSH. Have you made a study of Ellis County, Tex., Doctor?

Prof. LEONARD. I spent a part of the last summer in Ellis County studying the tenant question.

Chairman WALSH. Studying the tenant question?

Prof. LEONARD. Studying the tenant question, not in its entirety, but in its economic aspects.

Chairman WALSH. Have you epitomized your views in a paper, Doctor, so that you can give them to us now?

Prof. LEONARD. I have.

Chairman WALSH. I wish you would do so, please.

Prof. LEONARD. It was my purpose, Mr. Chairman, in this study of Ellis County to get some measurement of the economic conditions of the tenant farmer particularly. I was interested in Ellis County because that is one of the large cotton-producing counties, and it is typical of all the black-land cotton counties of the State. The principal cash crop is cotton, and the producers of it are very largely tenant farmers. Perhaps you ought to be aware of the fact at once that during the last 10 years—that is, from 1900 to 1910—tenant farming in this county increased from 65.7 to 69 per cent.

Chairman WALSH. In what period of time?

Prof. LEONARD. The 10-year period.

Chairman WALSH. From what to what?

Prof. LEONARD. From 1900 to 1910.

Chairman WALSH. What was the increase?

Prof. LEONARD. Three and three-tenths per cent. That is the absolute increase. The second fact, which is even more significant to me, is this: That while tenantry as a whole increased by 3.3 per cent, the number of white tenant farmers in Ellis County decreased by 235, while the number of negro tenant farmers increased by 314. That is, all the increase in tenantry during the 10-year period was an increase due to negro tenant farmers, the white tenant farmers having declined absolutely.

Now, the points which I wish to make clear, if I can this afternoon, bear upon the following subjects:

First, the property of tenants, their indebtedness, their earnings, their progress, tenants as producers, some types of landlords, and lastly, some causes of unrest among tenants.

In studying the economic resources of tenant farmers, I found much difficulty because, as you know, we have no method of doing so. As a possible means of getting information, I went to the tax rolls, hoping that these might give some clue to the extent of property held by tenants.

Now, we know very well the limitations of the tax rolls, and because those limitations are pretty well known we may make certain deductions, and so arrive at some conception of property in that way.

It is the belief of tax assessors that there is comparatively little evasion on the part of the tenant farmers as a class; that is, these farmers actually turn in about all the property of taxable character which they have.

The question of valuation is a more serious error. But it is a rather constant error. It is believed by the tax assessors that property is rendered at about one-half of its value, never less, and scarcely ever more than 66⅔ per cent of its proper value. Hence, by doubling the renditions made, we get an approximation to the real value of property owned. This is important, not because it gives us any absolute statement of property owned, but it does give us the method by which we may grade all into groups from the higher to the lower property classes.

On this chart you may see the gradations of wealth of these tenant classes, all of them rural dwellers. In the first place, I want to call your attention to this fact, that 25 per cent, over 25 per cent in fact, of the rural dwellers living in that county rendered nothing at all in the way of taxable property.

Chairman WALSH. How many?

Prof. LEONARD. Twenty-five per cent; the other 75 per cent who rendered something for taxation is shown in this part of the chart. Notice if you will the gradations from the lower property groups to the higher property groups. From \$100 to \$400 is shown by this column, 39 per cent of all; from \$400 to \$800, 29.9 per cent; from \$800 up, 30.4 per cent. So that you see there is a pretty sharp decline from the lower property groups down to the higher property groups.

Now, these two columns—those having nothing and those having under \$400—constitute something over 50 per cent of all the rural dwellers in that county—I think 54 per cent, to be exact. This is important, it seems to me, for this reason:

These tenants—that is, the 39 per cent having less than \$400—are not in a position to have the benefit of any capital, for \$400 is not enough to equip even a 1-team farm. I think all agree upon that. So that we may designate this column as being made up of “share croppers”; that is, those who work on the halves, and in round numbers they constitute something like 40 per cent of all the tenants in the county.

Those who possess more than \$400 are evidently the one-third and one-fourth farmers. They are able to furnish their own capital and hence have all the advantages which comes from the use of capital.

This part of the column is evidently the 1-team farmers; that is, 29 per cent of all. This group is in a position to equip a 1-team farm, and a 1-team farm ordinarily consists of about 50 acres, or perhaps a little more; the remainder—another 30 per cent—are 2 or more team farmers. Evidently these two groups are in a position to enjoy all the benefits which come from capital, and everything else being equal, if they are not too much in debt are in shape to secure for themselves the best results as tenant farmers.

A little later I will show you from some actual returns made by each group of tenant farmers.

Let me pass now for just a moment to the question of the indebtedness of tenant farmers. I think I will not call your attention to all the details which I have prepared upon this question, but simply show you a chart which shows the seasonal movement of the chattel-mortgage loans in this county, and then if there are any questions you would like to ask I shall be glad to answer them.

These are chattel-mortgage loans placed upon some form of property in Ellis County other than farm loans, from September 1, 1912, to August 31, 1913. If you will follow this red line you will get the seasonal variation as well as the monthly variation of loans made during that year.

The only point I would call your attention to is this: That in the month of September, when chattel-mortgage loans were supposed to be paid off, new



chattel-mortgage loans in a small number of cases were being placed upon the following year's crop. Notice that in October the number of chattel-mortgage loans increased to about 50, and in November and December to 400 for each month; that is, during the very period from October to December when mortgages were supposed to be canceled out a thousand new mortgages were contracted.

This calls for a word of explanation, Mr. Chairman. It means this, that the farmers were now remortgaging the property which had already been mortgaged. These were continuation loans coming over from the previous year which, being unpaid, had to be secured by a remortgage.

In January loans rose to about 800, and that meant borrowing to make the new year's crop. Old established farmers were mortgaging their mules and horses to get more mules and horses and equipment, and young farmers were necessarily going into debt for perhaps their full equipment. During all the spring months the number of chattel mortgages declined, reaching their lowest point in June, and the next year they spring up in a like way. This, then, is the monthly variation in loans, and I think it is characteristic from year to year of the chattel-mortgage form of indebtedness.

The number of chattel mortgages recorded were 3,760, or thereabouts, and the aggregate amount of loans made comes to \$840,000, which presumably does not measure all the chattel-mortgage indebtedness during this year, since some mortgages were never recorded.

I shall pass over the question of store credit unless you have some special questions to ask.

Commissioner LENNON. Did you make any investigation as to the additional 10 per cent for credit? Do you know anything about that—what we have heard about here?

Prof. LEONARD. So far as store credits are concerned there are two practices of which I think you are informed. There is what is called the cash price for goods. Now, in case a farmer wishes the benefit of a cash price he goes to his local merchant and arranges "to be carried" from the 1st of January until October. If he wants \$300 worth of goods he gives his note in January for \$300, payable in October. This note bears interest at 10 per cent from the 1st of January until the 1st of October. But in January he secures from the store, say, \$30 worth of goods, and he has the use of that \$30 for the whole period; but for the purchases made in February he has used credit for eight months, and so on until July and August he has had the use of credit a month or two only. And since he pays 10 per cent for the whole period on the whole amount, when you figure out the average time during which he has the use of credit, the interest rate comes to something like 20 per cent.

The other form of indebtedness works exactly the same way, where 10 per cent is added to each monthly purchase from January until October.

Let us pass to the earning power of tenants.

I secured income returns from quite a large number of tenant farmers. These farmers were all living on the same kind of land. They were all living in the same community. They were all working under about the same conditions. I found that one-third of them were "share croppers," and that the income secured by those tenants was about \$750 each. There was very little variation above or below this amount. Seven hundred and fifty dollars may be taken as a fair statement of the annual earnings of share croppers. Those who are working on a third and fourth basis received an average annual income of \$1,253. Some of them were paying a third of the cotton for their land, and their income was about \$1,000. Those were not entirely net incomes; that is, out of the \$1,253 there would have to be taken the cost of the seed, expenses so far as picking was concerned, expenses of ginning, and such as that. So that the income of these third and fourth renters would be reduced in the direction of a thousand dollars, possibly a little below.

Chairman WALSH. By being reduced what do you mean? I did not catch that, Professor.

Prof. LEONARD. The net income would be reduced to something like a thousand dollars; that's after all expenses were taken out.

If I may generalize, then, from the earnings of these few from whom I received returns to all "share croppers"—about 40 per cent of all tenants—we find that their earnings approximate \$750 a year. This is the income of a family. The third and fourth tenants—60 per cent of all—make \$1,253, but to the extent that they pay a bonus or to the extent that they pay one-third of the cotton it is reduced to about \$1,000.

Commissioner LENNON. May I ask you one question there? The \$750 which you make out from the averages you have secured, do you claim that they all run about alike?

Prof. LEONARD. There is very little variation above or below the \$750. What there is is due to the number of acres the farmer cultivates.

Chairman WALSH. I don't understand what you mean by the term "in the direction of a thousand dollars."

Prof. LEONARD. If he did not pay a bonus, or if they did not pay a bonus and all that in the form of house rent or anything of that kind, they would get \$1,253 on an average. But if they pay house rent and a bonus and pay a third of the cotton, then that \$1,253 is reduced by that amount to those who work on a third of what they could actually get. Is that clear?

This is not intended, Mr. Chairman, as any exact statement of earnings. It is an attempt, however, to analyze and throw into earning groups the whole of the tenant class in this particular county. That was all that was attempted. But if these returns are true, or even approximately true, they show the enormous importance of capital.

It may be interesting, and, I think, important, to compare the earnings of a group of tenant farmers working in the same land over a period of years. The next chart shows the income from cotton received by a group of about 20 or 25 tenant farmers, all of whom were working on the same plantation, and it is for a period of 10 years. These men were all working on the third and fourth basis. They were all living on the same land, and the height of the various rectangles represents the annual variation in gross earnings. You will notice, in the first place, the great yearly fluctuations. The year of lowest average income for these farmers gave \$630. The highest average income was something over \$2,000. This was in 1906, but you will notice that the very next year after this there was a drop of more than 50 per cent in the income. That is due, of course, to climate and market—conditions over which a tenant farmer has absolutely no control. I think, too, if you will look at this chart, you will see some little tendency for the incomes to rise, but to rise very slowly.

Commissioner LENNON. That would indicate that the length of time on the same land was advantageous, would it?

Prof. LEONARD. It indicates that, for many of these men remained on the land the whole 10-year period. Conditions are such that landlord and tenant both prosper. As between tenant farmers in this group now the average annual yearly earning varies considerably, even among good farmers living as neighbors on the same land. For instance, the earnings of one man was \$872; those of another \$1,572. The explanation is found in the fact that the first was a one-team farmer and the other a two-team man. This illustrates again the importance of capital to the tenant farmer. One man had an average annual income during the whole 10-year period on this ranch of \$1,161; and another man, \$1,098; another, \$1,328. All these men raised their own feed crop. They kept a cow or two. They received their wood free and had a garden place.

Under these conditions, assuming that they were not too heavily in debt and that they had some considerable labor force of their own, there is no clear reason why they should not, in a moderate way, prosper. In fact, the man who had the lowest average annual income—an income of \$850—is now paying for a piece of land in another county, and it is now practically paid for. These men are not discontented. They are hard workers, and, for the most part, they avoid debts. There is scarcely one who if pressed by an exacting landlord could not go out and acquire property of his own.

There are no "share croppers" on this plantation and no bonuses are paid. Moreover, these tenants have been assured by their landlord that the higher rent of one-third of the cotton will not be demanded until this rent shall become the universal rent.

Commissioner LENNON. Would that group indicate that conditions there were advantageous to the owner of the land as well as to the cropper?

Prof. LEONARD. Yes; the land is in an excellent state of cultivation and all improvements are well cared for.

I was interested in trying to determine from the tax roll what progress, if any, had been made by an identical group of men living in the same community over a period of years. Renditions for 89 identical men living in one precinct were as follows: In 1909 their total rendition was \$57,240; in 1913 their total rendition was \$67,920. This means an average in 1909 of \$643; in 1913 of \$763; or an average annual increase of \$120. This shows again in property holdings of 19 per cent during the five years. These figures include



those who succeeded, as well as those who failed, and looking at it in a general way you would say that 19 per cent during the period of five years is not a bad showing. But we must remember that this gain was on relatively small holdings and that it would take a long, long time at this rate of increase to acquire any considerable property. In 1909 there were of this number 18 who rendered nothing at all. In 1913 there were 14 of these who rendered nothing at all, except a poll tax.

Let me call your attention now, if you will, please, to some considerations concerning tenants as producers.

The most serious criticism that can be passed upon the tenant farmer as a producer is this: He is an inefficient business man. He does not carefully organize his time so that his labor may be most economically applied. In planting, in organizing, and in anticipating the needs and demands even of the immediate future he is very weak. In making his capital outlay he too often shows an extravagance that is beyond the needs of his business. For instance, in the case of a one-team farmer, one man is known to have gone in debt \$1,200 for mules, machines, tools, and so forth. One-half of this sum, and even less, would have been quite sufficient. Another man, with five children in the working period of life, was a "share cropper." If he could have had the use of capital, he would have more than doubled his income because of his large labor force.

There is, again, the most extravagant use of machinery—expensive machinery. Farmers excuse themselves in this extravagance by saying that the landlord will not provide shelter for it. It is uncertain whether the tenant or the landowner is most to blame for this.

Most tenants, I found, are exceedingly hard workers. They do not spare themselves when it comes to hard work and long hours or great physical strain; neither do they spare their children, nor their wives.

In a group of 25 tenant families there were 148 living children, an average of 6 for each family. The younger families were still incomplete. Three had families of 10 living children, and the smallest family consisted of 2, their father being at that time 37 years old. At 32 one father had 8 children living. This gives some notion of the high birth rate. The relation of the size of the family to the tenant problem is very intimate, for it is quite the universal opinion that landlords prefer large families on their farms. As one tenant said: "The first question the landlord asks of a prospective tenant is this, 'What is your force?'" The idea is that the larger the family the more promptly the crop will be cared for. One landlord modified this statement by saying that he preferred large families "if the family was a well disciplined family." The pecuniary importance of a large family is shown in the following illustration:

Tenant R has 3 children, the oldest 6 years of age. He rents a farm of 120 acres. In 1913 he produced 43 bales of cotton, for which he received 12 cents a pound. After paying his rent and labor bill of \$789 he had left, as the result of his year's work, \$904. Tenant S has 10 children between the years of 5 and 28. He had 150 acres in cotton and produced 68 bales, which he sold for 12 cents a pound. After paying his rent and a labor bill of \$50, and also paying \$150 for house rent, he had left at the end of the year \$2,500. This illustrates clearly, it strikes me, the pecuniary importance of a large family as labor force for the tenant farmer.

Of these 25 tenant families the average age of the father was 44, the oldest being 68 years, while 3 were in the sixties and 4 were in the fifties, and all the rest below. They had been tenants on an average 18 years. The shortest period was 9 years and the longest 35 years. These men have occupied 113 different farms.

Chairman WALSH. How many of them had occupied the 113 different farms?

Prof. LEONARD. Twenty-five, which gives an average of 4.8 years for each farm. This bears upon the question which has been mentioned a number of times during the progress of this investigation. However, the greatest extremes appear as to frequency in moving. Three men have never moved at all and they have been on their farms 12, 17, and 25 years, respectively. Five had moved twice; one had moved 10 times in 25 years; and one 9 times in 13 years, and expects to move again next year. It is needless to say that the more successful farmers early become adjusted to their farm and remained there, while the poorer farmers move more frequently and make but slight economic progress.

Perhaps you may be interested in some of the reasons given by these men for moving. Among the principal causes were these: "To get a better house"; "To get more land"; "To get better water"; "To avoid an increase in the

rent"; "To get nearer the pike"; "To change from a 'share cropper' to a third and fourth renter"; "To get nearer schools"; "Farm sold," and so forth.

Of these 25 tenant farmers one-fourth of them had bought land at some time; much of it had been sold—some at a profit, some at a loss. One man said he owned land because of the labor of his children. Most of them, however, hoped sometime to become landowners. Two had small houses in town. One had interest-bearing notes to the amount of \$1,840. Two held stock in cotton gins and two more had lost snug little fortunes by speculations. The oldest men who have not already acquired property have given up hope of ever being able to do so.

It is worth while to call your attention, Mr. Chairman, to just a few types of landlords. On the plantation just referred to tenancy is practically at its best. The present owner of this plantation bought the land when it was cheap. He is interested in building up a permanent, well-ordered estate. He is rightly seeking to retain the fertility of the soil through efficient and permanent tenants, and to secure these he offers a generous lease and provides house rent and standardized improvements. He does not try to restrain his tenants from voting for good roads or better schools. In fact, one of the neatest little country schoolhouses which I have seen in many a day is immediately adjacent to this plantation. Moreover, although he is a nonresident, and, at that, a far-distant nonresident, he makes it a point every year to visit all his tenants, spending a week or two among them, eating at their tables, and sleeping in their homes. Naturally, he has the pick of tenant farmers and his "waiting list" is always large. He is neither paternalistic nor philanthropic. He holds his tenants to a strict accounting. He gives them encouragement and a square deal and expects them to make good. Under these circumstances few fail to make a good showing for themselves. To all external appearances the plantation is comparable to a community of home-owning farmers. He is the type of farsseeing, fair-minded landlord.

Within 4 miles of the outer boundaries of this plantation there is another, representing conditions at nearly their worst. The landlord, also a nonresident, but a near-by nonresident, consulting only his immediate interests, drives the hardest bargain within his power. His "waiting list" is made up of the most ignorant and wretched tenants. He rents only on shares. The teams and tools which he provides have long since seen their best days. The two and three room unpainted, unpapered box houses are scarcely habitable, and would not be except in a favorable climate such as Texas affords. The farms are inaccessible in bad weather, the roads and creeks being impassable. With worn-out machinery, poor tools, and poor mules, the land is in a bad state of cultivation. The turn rows are neglected and Johnson grass is threatening the life of the farm. No tenant lives here longer than he can help. He is always on the lookout for a better place. There is a continuous procession of tenants to and from the land, and this hastens the general ruin and decay. And why should they not move—for, as the tenants themselves say, "We are scarcely able to make buckler and chain meet." This landlord, shortsighted, narrow-minded, with no conception of just, human relationships, with no feeling of his responsibility in connection with the ownership of land, follows a policy destructive even of his own permanent interests.

Between these two groups of landlords—extreme examples—there is another group made up of all sorts and conditions of men. They are not without the milk of human kindness. They are interested both in their lands and in their tenants, and if they drive a hard bargain it is rather because they themselves feel the driving force of economic pressure. It is said that at least 50 per cent of the lands of this county are unpaid for. They have in the last few years been changing hands very rapidly, not on their productive valuation, but on a speculative basis. These landlords are heavily in debt. Each year they must meet heavy interest charges and payments, and to do so they must get the utmost out of their lands, and the bonus system, in all its innumerable forms, appeals to them as an easy means of increasing their revenues.

Again, 20 years ago a landlord owning 1,000 acres of land was estimated to be worth \$25,000—

Chairman WALSH. Owning how many acres?

Prof. LEONARD. A thousand acres. To-day, with the same thousand acres he is reckoned as a hundred-thousand-dollar man. But during these 20 years his land has perceptibly weakened in productivity, and this is scarcely compensated by the increased price of the products. Thus his income has not



grown with his wealth, and he is under the economic necessity to increase his income so that he and his family may live as becomes a man whose wealth is listed at \$100,000. To him also the bonus system makes its appeal.

There is still another group who with all sincerity, but with unsound logic, I believe, claim for their investment in land the current rate of interest, and then proceeds to levy a rental which will approximate this rate. There is little justification for this, for it is evident they are not entitled to the current rate of interest on speculative advances in lands. Moreover, the absolute security of land as an investment, together with the social considerations attached to it, should induce a willingness on the part of these people to accept a lower rate of interest than given by more hazardous lines of investments. So in spite of a generous interest in their tenants and in their lands they press for an increase of rental.

Now, Mr. Chairman, for just a moment I wish to call your attention to what I conceive to be some of the causes of discontent among the tenant farmers. What I have stated up to this time rests pretty largely upon facts. It may not be out of place, however, to give some expressions to opinion which I found prevalent in this county. One prominent banker and real estate man said that 85 per cent of all the landowners in the county were once themselves tenants. This opinion was supported by many other men whom I consulted as to that point. Another man, an owner of 1,000 acres of black land, made this statement: "Nine-tenths of the tenants never get out of tenantry"; while another said, "Most renters have been renters years and years and make no effort to become anything else than tenants." Another expression from a prominent landowner runs thus: "Many tenants are coming to think that all they will ever get out of life is a living and a little more." While a tenant, in the prime of life, said: "All I expect out of life is just a living, and it is my opinion that 75 per cent of us just get by." These widely different expressions represent the two extremes, and both are pretty largely true. The real estate dealer was evidently referring to a condition which had prevailed in the past; the others voiced the current opinion as to the present situation. In these very facts is found the basis for the present unrest among tenant farmers. The present generation of tenants look upon their lot as less fortunate than the generation which preceded them, and they naturally raise the question: "Why should this be?" And they proceed to answer it in this way:

(1) They say that the old rent standard of one-third of the grain and one-fourth of the cotton have in part disappeared, and threaten entirely to disappear in the near future. Tenants a generation ago, they say, were able to acquire property because the rent paid was a reasonable rent, fair alike to both parties. They invariably speak of this rent as "customary rent," and sometimes they designate it the "natural rent." But what is taking its place, they ask. More and more one-third of the cotton is being demanded, and this, they assert, makes it impossible to acquire property as in the old days. Where the one-third is not required, the landlords often levy all sorts of bonuses in addition to the one-fourth. Sometimes the tenant is required to pay a certain proportion of the taxes on the land; again, certain cash sums are given or rent for the use of a house is paid, and occasionally the tenant is required to purchase of the landowner tools, horses, and machinery at a price beyond their real value if he wishes to obtain a farm. One tenant said: "Of course, we will go to a one-third basis and by and by to a bonus on top of that."

(2) In the second place it is asserted that even the best soils have deteriorated through continuous cropping in cotton. To get the same yield of cotton per acre as formerly more capital must be used. This means more labor, which is more highly paid than formerly; more machinery, and more work animals. But with all this added expense it is scarcely possible to produce as much cotton per acre as 20 or 30 years ago. The tenant farmer asks, "Who bears this burden of soil deterioration?" And they answer by saying that they do, and assign this as one of the important reasons why they are less prosperous than their predecessors. They feel that since the one-crop system has been forced upon them by the landowner, he and not they should suffer the penalty.

(3) An inevitable result of this harder economic pressure upon the present-day farmers is to force them to remain longer in the lowest grades of tenantry; that is to say, those who can not provide the necessary capital for a two-team farm must content themselves with a one-team farm, and those who can not afford even a one-team farm must remain among the "share croppers." The stages of progress upward through the various grades of tenantry are much

slower than formerly, with the consequence that fewer tenants ever reach the grade of highest opportunity. On the other hand, the landowners are more inclined now, especially if they live near their lands, to rent only on the halves, since by so doing they not only retain a more rigid control over their lands, but also secure for themselves all the great advantages arising from the use of capital. These two conditions result in swelling the numbers in that group of tenants, the "share croppers," who have the least chance of ever acquiring property. This serves also to explain why tenants to-day are less prosperous than formerly.

(4) Furthermore, the tenants of the present day not only suffer the severe economic pressure just noted, but also they are made to encounter new competitive groups such as the negro and the Mexican. Many landowners, it is claimed, will lease to these classes since with them they can drive a harder bargain than with the native white man, and this is the cause of no small discontent among tenant farmers.

(5) In the fifth place, as a culmination of all, is the asserted tendency, slight at the present time but nevertheless evident, to discriminate socially between landowner and tenant. Some landowners deny the existence of any such discrimination, saying: "Our sons and daughters will doubtless marry into tenant families, and for this reason we can hardly afford to draw lines of social distinction." Others frankly admit but lament the fact, while others accept it as a matter of course.

Such are the more prominent causes of discontent among these tenants. That there is discontent all agree, even the most ignorant and conservative landowners. It is always deplored, but sometimes justified, even by the landlords themselves. It is found most apparent among the more aggressive, ambitious, and progressive farmers, and it is especially prevalent among the farmers between the years of 30 and 40. This is perfectly natural, and is easily explained. It is the time in the young farmer's life when his brood of little children are so young as to be of little service to him, but their expense is a heavy burden. It is the period when the farmer's load is the heaviest, and to the weight of this burden is being added either the landlord's actual pressure for higher rents or the fear that such an increase will be shortly demanded. These considerations lead the most thoughtful and enterprising men to question their ability ever to rise out of tenancy to ownership, which is the goal of their ambition. The ignorant, thriftless, and unambitious are never troubled with such considerations. To get land they will readily make any kind of a contract with the landowner, and then trust to their luck in skinning both land and landlord, and this they very frequently succeed in doing.

"These conditions," said a careful observer, "have not made Socialists, but they constitute an excellent seed bed for socialism." And yet among the tenant farmers in certain parts of the county it is true that there are Socialists. Their number is not large, nor is their growth spontaneous. They do constitute a source from which a rapid growth in socialistic thought may be expected should the present economic pressure continue, and this will develop to a certainty should this pressure be increased. It is true that these men are not Socialists in any real sense of the word. They have no objection to private property in land; they desire only a reasonable opportunity to obtain some of it for themselves. But their chances of success, due to the increased value of lands, and to an increase in the costs of production, including an increase of rents, are narrowing, and they are looking in the direction of socialism, not that they want socialism, but because they want land brought under a system of tenure which shall be both equitable and standardized.

Chairman WALSH. Just one question. It has been suggested that I ask you, does the income of \$750 or \$1,253 per annum mean that the family expenses, the household expense, and all other kinds must be met by these earnings?

Prof. LEONARD. All the expense in the case of the \$1,253 income must be met out of this amount; that is, the farmer, if he has to hire labor to pick his cotton, the labor expense comes out. Again, the cost of the seed comes out, the cost of the fertilizer comes out, the cost of machinery and the wear and tear on the machinery comes out of that gross income.

Chairman WALSH. Do you find it possible, Professor, or did you undertake to ascertain what the net income might be excluding, we will say, household expenses?

Prof. LEONARD. I was not able to get any very accurate data on that point, the data which I think trustworthy. But I should say in the case of a gross income of \$1,253, that the necessary expenses connected with the production



of the crop would reduce that amount to between nine and ten hundred dollars so that nine or ten hundred dollars would be very nearly the net income from the farm as a business unit.

In the case of the "share cropper," there is simply one expense to come out, and that is the hired labor cost, if it should be necessary to hire labor at all.

Chairman WALSH. Would you please indicate what topics you have treated in your paper, Professor—you have not given them to us in their entirety—so that I may determine whether we should ask you any questions with reference to them, because I am assuming that it would all go in our record?

Prof. LEONARD. The topics I left out bore on the question of credit and indebtedness. I left these out almost entirely, feeling that these subjects had already been covered, and also feeling that at a later period you would have a special discussion relative to them.

(The portions of Prof. Leonard's paper above referred to and not read in full, were as follows:)

#### INDEBTEDNESS.

(a) Chattle mortgages: In this county the chattle-mortgage form of indebtedness assumes enormous proportions. From September, 1912, to September, 1913, 3,760 different mortgages were placed upon some form of farm property other than land. These mortgages aggregated \$840,000. It is not asserted that all of these were made by tenant farmers, but it is evident that the vast bulk of them were; first, because land owning farmers are in the great minority, and, secondly, because such farmers are seldom reduced to the chattel-mortgage plan of making loans. It is believed that such loans, in the vast majority of cases, are for working capital rather than for spendthrift or emergency purposes. Practically all chattel mortgages are for one year, and are made to mature during the four autumn months. In September few such loans were made; in October the number rose to 200; in November and December to 400 for each month; that is, during the very time when loans from the previous year were being canceled, more than 1,000 new loans were contracted. This calls for a word of explanation. It is evident these were not for new capital: for it was not the season when new capital was needed or could have been used, the crop having been made much earlier; nor can they be mere consumption loans; for then, if ever, the tenant farmer should have money in his pocket. These loans are continuation loans coming over from a previous indebtedness, which indebtedness was unpaid, and for which new mortgages were given.

The loans made in January were undoubtedly loans of new capital in view of the next year's crop. Old established farmers were adding more mules, horses, and other equipment, young men embarking in business for the first time were completing their outfit, and most of the latter must of necessity incur some mortgage indebtedness. For a similar reason loans continued high during all the spring months. These were largely for machinery, ordinarily the dealer selling the machine on time and taking a mortgage on the same machine together with a few bales of cotton as security. By June the crop was made; at least all the necessary capital for making it has been secured. Hence the number of loans during June, July, and August steadily decreased. In most cases they were for small sums—\$10 to \$50. Presumably they were needed to secure the many small necessities for which credit was not available. These are real consumption loans, as distinguished from loans of capital. It may be true, of course, that they were small in number because mortgageable property had already been pledged to the last dollar, but this seems hardly possible. It should be noted that there were a few very large loans, \$2,000 to \$5,000, made by large-scale farmers, and it is due to these that the average amount to each loan rises from \$150 to \$350 during these months.

(b) Store credit: Ordinarily the tenant farmer goes to the merchant in January and arranges "to be carried" for his necessities until the following October. There are two forms of practice which differ only in method, not in results. (1) The farmer gives his note for the supposed amount of goods he will require. This note bears interest at 10 per cent from January to maturity. The farmer is then given advantage of a cash price. But it is to be observed that he pays interest for the total sum for nine months, although his purchases, and hence his actual use of credit are for a much shorter average time. In the end he pays on a \$300 store bill an interest charge of \$22.50. If he had secured the same amount of money at the same interest rate by periodic loans from the bank his interest bill would have been \$12.37. Thus he has really paid 19 or 20 per cent instead of 10 per cent. (2) The same results

exactly follow the second method where a book account is run with 10 per cent added to the cash price, through each month from January to October.

It is little wonder that the tenant farmer does not prosper as he should. With much of his capital borrowed, and a good portion of that carried from year to year in continuation loans, this together with a store bill averaging not far from \$200 a year, piles up an annual interest charge, which too often absorbs, what otherwise would have been his profits. Could one or both of these forms of perpetual encumbrance be abandoned, other conditions remaining as they are, he would immensely improve his condition. One man remarked that he had observed that the farmer whose wife was a butter and chicken woman was the man who ultimately bought a farm. In such case the burden of a big store bill was lifted. Why this abuse of the borrowing power? There are several reasons: (1) The tenant farmer usually has good credit; that is to say, he produces a commodity which confers upon him good credit. His bales of cotton can be placed only on one market and here they are capable of complete identification. The credit men have no difficulty in protecting themselves in this market place. However, were farmers producing corn there would not be the same opportunity for these men to identify a product more capable of reaching the market in different ways. Then, too, credit associations have very nearly eliminated the dishonest tenant. To get credit at all he must have a straight record, and since credit, under present conditions is indispensable, he is honest whether he wants to be or not. (2) The part which custom plays in the credit system of tenant farmers is most serious, for it is difficult to break a long standing custom. Many, perhaps most, have never known the time, either in their own lives or that of their fathers', when the burden of debt did not press. It is looked upon as a natural kind of encumbrance. It has been observed that even following very prosperous years, debts are not fully lifted, as they well might be, but profits are used to launch out more heavily in the production of cotton, and this, with frequent reverses in the market, brings disaster. Thus it is not so much a question of more credit as it is a better use of credit now employed.

Chairman WALSH. I have been asked to ask you this question, by a gentleman in the audience: Do you not believe that the increasing of taxes is a cause for many tenants not trying harder to buy homes?

Prof. LEONARD. I believe that has some influence, but I don't think that is a determining factor by any means. A few may be deterred in that way, but I think very few indeed.

Chairman WALSH. Commissioner Lennon would like to ask you a few questions.

Commissioner LENNON. Do you consider it good economics in making your calculations as to the income to allow nothing for the work of children exceeding 14 years of age? Supposing a man has three or four children above 14 years of age, and they are employed, would it be good economics to allow nothing for their work?

Prof. LEONARD. It is good economics to make that allowance, to reckon in all labor costs of whatever kind, and any system of accounting which does not take into account everything connected with the production of the crop is a faulty system of economics, as well as a faulty system of bookkeeping. But, of course, tenant farmers keep absolutely no accounts. They make the roughest kind of estimates as to their income and outgo.

Commissioner LENNON. This is really, then, in some cases, an income of \$1,250, and in some cases an income for the labor for three or four or five or six people?

Prof. LEONARD. It is an income for the whole family, however large that may be.

To show how closely the bonus system has connected itself up with the increase in land values, I have this chart, which shows the transfers which have taken place in a typical piece of land in this county, starting with 1897 at \$40 an acre. Observe how it breaks up into various smaller tracts, and is sold at various prices, always at an advance, the last sale being in 1913 for \$159 an acre. This simply illustrates the increased value of lands and the subdivision of this land into small tracts and their sale at higher prices. You will remember the governor said yesterday that the bonus system came in just at this point. During a period of 13 years there were something like 20 different transfers of this tract of land.



Chairman WALSH. Take this \$750. Taking that one, it represents, as I understand you, the income of the "share cropper," not the total income of the land owner and the share cropper?

Prof. LEONARD. Yes, sir; it is the income of the tenant farmer. If he had expense in the way of labor cost, that would have to be reduced to perhaps \$600, which would be his family income for the year.

Chairman WALSH. How many hands, on the average, are represented in producing that \$750?

Prof. LEONARD. I found that the average size of the family was six; that of these children three or four would have labor value in picking the crop.

Chairman WALSH. At what age ordinarily are the children of tenants—do the children of tenants begin to give some aid in the operations of their parents?

Prof. LEONARD. I think as early as 7 or 8.

Chairman WALSH. Is it customary in those families for the women to do work in the fields?

Prof. LEONARD. Very customary.

Chairman WALSH. What character of work do they do?

Prof. LEONARD. They assist in picking the cotton, and sometimes in chopping the cotton in the springtime.

Chairman WALSH. How is that work carried on—the chopping of the cotton?

Prof. LEONARD. With a hoe.

Chairman WALSH. As to the planting, do they take any part in that—the women?

Prof. LEONARD. Not that I know of.

Chairman WALSH. To the extent you have mentioned, they work in the field as hands?

Prof. LEONARD. Yes; they work in the fields to that extent, at those two periods. They work a short period in the springtime when they assist in chopping the cotton, if there is a great necessity for that, and in the fall in picking the cotton. The latter is most prevalent.

Chairman WALSH. As you went along, did you make observation as to the character of the abode of these people—the tenant houses?

Prof. LEONARD. There is absolutely nothing in the way of a standardized house for the tenant farmers.

Chairman WALSH. Could you not give anything that might be typical?

Prof. LEONARD. I know of one tenant farmer, perhaps the worst case I know of, a family which numbers 11, 9 children and the 2 parents, who live in a two-room house. This house is unpapered and unpainted. It is a box house, which, when it was first built, which was 30 or 40 years ago, could not have cost more than \$75. It has absolutely no conveniences. There is no standardization, so far as the houses are concerned. The kind of house depends entirely on the landlord and the pressure of the tenant.

A case which I believe to represent a very good condition, so far as tenant houses are concerned, is that of a family of four or five which lives in a six-room house. The house is papered; it is painted also; there is a nice yard in front of the house; there are adequate shade trees; the floors are carpeted, and upon the walls are pictures; there is a piano for the use of the young women of the family. To all external appearances it is not a tenant house at all; it might very properly belong to a landowner. The family man has been in this one house for about 15 years. All the children have been reasonably well educated. Several of them have gone into business. One of them is the postmaster in one of the towns of the county.

Between those two extremes, there are all sorts of conditions so far as the character of the tenant houses are concerned. It would be hard to describe an absolutely typical house. So far as the water supply is concerned there is absolutely no standardization. There is no standardization whatever so far as the garden patch is concerned, nor as to orchards. The cotton patch is slowly encroaching upon the orchard, upon the garden lot, and upon the pasture, so that it is more and more difficult for the tenant farmer to have any assurance as to these important adjuncts of farming.

Chairman WALSH. Does the gross income you have mentioned include the cost of keeping teams?

Prof. LEONARD. No; the cost of keeping teams is not taken into account in this gross amount.

Chairman WALSH. Do tenant farmers ordinarily raise their own feed for their teams, or buy baled hay in town?

Prof. LEONARD. In the past there has been much money expended by farmers in this county for the purchase of feed stuff. On the particular ranch to which I called your attention, the farmers have been able, most of the time, to supply their own feed stuffs.

Chairman WALSH. Including hay?

Prof. LEONARD. Yes; including hay, but I found men who had spent as high as \$600 a year for feed stuff for keeping work animals, a cow or two, and a few hogs.

Chairman WALSH. Do farmers with these average net incomes of about \$900 buy farms, or what do they do with the money?

Prof. LEONARD. A good many, as I indicated in my discussion, have bought farms, and some of them keep bank accounts. A good many of them have little investments in one way or another; but you must remember that out of this income of \$900, which is net income, the whole support of the family must be taken, and, as has already been indicated, many of these farmers simply live out of the store. They buy all of their foodstuffs from the store; there is no orchard so that they can preserve fruit and such as that. They do not lay in a supply of vegetables so that when winter comes they will have supplies. They live out of tin cans altogether too much.

Chairman WALSH. We are very much obliged to you, Professor.

Commissioner LENNON. Just another question or two, please.

In the university where you are a professor are there any children or a large proportion of the children that come from the families of tenant farmers?

Prof. LEONARD. A very few, indeed.

Commissioner LENNON. Have you any information as to where the criminal classes come from in this State—whether the tenantry contributes to it? Does the tenantry contribute to a large proportion of them, or do you know anything about that?

Prof. LEONARD. These people are not criminal. I think that they are, on the whole, exceedingly law-abiding, honest citizens for the most part. They are down at a very low level of development, however. They are not on an equal competitive basis at all in the economic struggle; but they are not criminal. They obey the laws. They are not criminally disposed at all, and I think that a very, very few of them have entered upon a criminal life. They stay pretty well attached to the soil. I do not think that there is this migratory tendency among the whole tenant class that has been spoken of. There is a group of tenants down at the bottom who do move about frequently from time to time, but the upper grades of tenants, those, for instance, who work on the third and fourth basis and who are out of debt, are pretty permanently established on the land.

Commissioner LENNON. What would you say was the average grade in the schools, as to when the children have to quit school entirely?

Prof. LEONARD. So far as I have been able to determine, a boy or girl doesn't go to school very regularly after the age of 10 or 12. They marry very early in life.

Commissioner LENNON. Would that be, say, the fifth or sixth grade up in Illinois?

Prof. LEONARD. It would mean a lower grade, perhaps the third grade. A very few of them go to the high schools.

Chairman WALSH. How many of the tenants that you say are at the bottom—that move so frequently—what proportion of them would there be as compared to the whole number of tenant farmers; what percentage?

Prof. LEONARD. I should say, to make a rough estimate, Mr. Chairman, that it would not be more than one-third of the tenants.

Chairman WALSH. You observed, did you not, Doctor, that the gentleman that was on the stand, a Mr. Noble, testified that in his opinion two-thirds of them moved in a migratory way? Was your attention called to the last bulletin of the Census Bureau in the spring of 1914, wherein the statement was made that 50 per cent of the tenants in the south moved every year?

Prof. LEONARD. I have known of that statement, but I was making my calculation simply on the basis of the conditions in Ellis County.

Chairman WALSH. It has been stated, Professor, that Ellis County is the largest cotton-producing county in the world?

Prof. LEONARD. Yes; it is.

Chairman WALSH. Might it be said that the conditions there, as to the tenant farmer, is high or low, or intermediary, as to that type?



Prof. LEONARD. I believe the type of tenant farmer in Ellis County is better than in any other county with which I am familiar. I believe the farmers are better off in that the character of the landlord is better. Tenants are given a squarer deal in Ellis County than in some of the other counties.

Chairman WALSH. Nevertheless, you would say that 33½ per cent of the tenant farmers in Ellis County are this migratory class?

Prof. LEONARD. They are not a migratory class, except in a narrow compass.

Chairman WALSH. I mean by "migratory" that they move from one farm to another.

Prof. LEONARD. The "share croppers," for instance. The tenant who has reached, say, 50 years of age and is still a "share cropper" is likely to be migratory, but the young fellow just starting in life who is a "share cropper" is a "share cropper" for just a few years. Then he acquires enough property to go on a third and fourth basis, and then he gets out of tenantry, if ambitious, entirely. He is migratory, but often in an upward direction.

Chairman WALSH. Thank you, Professor; you may be finally excused.

The commission will now stand adjourned until 10 o'clock to-morrow morning.

(Whereupon an adjournment of the commission was taken until Thursday morning, March 18, 1915, at 10 o'clock a. m., at the same place.)

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